United States Government Accountability Office

Report to Congressional Requesters

January 2024

401(K) PLANS

Additional Federal Actions Would Help Participants Track and Consolidate Their Retirement Savings

Accessible Version

GAO-24-103577

GAO Highlights

Highlights of GAO-24-103577, a report to Congressional Requesters

January 2024

401(k) PLANS

Additional Federal Actions Would Help Participants Track and Consolidate Their Retirement Savings

Why GAO Did This Study

Investing in employer-sponsored 401(k) plans has become the most common way for American workers to save for retirement. But plan participants can face challenges when they change jobs and with tracking their accounts. 401(k) savings can sometimes be accessed in emergencies. The CARES Act created additional options for participants to temporarily access their plan savings.

GAO was asked to review access to 401(k) plan savings during the pandemic in 2020 and challenges participants have rolling over their retirement savings from one plan to another, both abroad and in the U.S. This report examines: (1) access to and use of the CARES Act 401(k) plan options; (2) approaches other countries use to help workers track, manage, and consolidate their plan savings; and (3) challenges with 401(k) plan-to-plan rollovers and federal actions that can improve the process.

GAO's review included a non-representative survey of 401(k) companies and interviews with stakeholders representing different roles in the retirement industry about the CARES Act access options; interviews with experts from six selected countries that have: (1) a pension dashboard, (2) portable workplace retirement savings, and (3) other approaches to help workers track and consolidate their retirement savings; and a nationally-representative survey of 401(k) participants about their recent experience with plan-to-plan rollovers.

View GAO-24-103577. For more information, contact Tranchau (Kris) T. Nguyen at (202) 512-7215 or nguyentt@gao.gov.

What GAO Found

The CARES Act temporarily expanded access to 401(k) retirement savings for plan participants who were impacted by the COVID-19 pandemic. GAO surveyed 14 selected companies that manage participant account data and transactions for 401(k) plans. GAO found that less than one-third of the plans covered by the surveyed companies offered the CARES Act options. Industry stakeholders GAO interviewed said larger plans and plans in industries subject to furloughs at the beginning of the pandemic, such as airlines and hospitality, were more likely to offer the CARES Act options to participants. The CARES Act options generally allowed participants to access their 401(k) plan savings in two ways in 2020:

- Participants younger than 59½ could withdraw up to $100,000 from their plan savings without facing an additional 10 percent tax for early withdrawals; they could also choose to repay the amount within 3 years.
- Between March 27 and September 22, participants could borrow up to $100,000 from their savings as a loan and delay some payments a year.

The 401(k) plans covered by the 14 companies GAO surveyed represented about 64 percent of all active 401(k) participants. Of those represented participants, GAO found that about 80 percent of them had access to the CARES Act options through their plan. Of these participants with access, 6 percent took a Coronavirus-Related Distribution and less than 1 percent took a CARES Act loan. Based on GAO's survey, the amounts of withdrawals and loans were higher during the pandemic in 2020 as compared with 2019 (see table). Industry stakeholders pointed out that workers with the greatest need for emergency funds during the pandemic in 2020—such as lower and middle-income workers—likely did not have a 401(k) plan and, thus, could not take advantage of the CARES Act options.

Comparison of Average and Median Hardship Withdrawals and Plan Loans in 2019 with CARES Act Options in 2020

	2019 Hardship Withdrawals	2020 Coronavirus-Related Distributions	2019 Plan Loans	2020 CARES Act Loans
Average Amount	$6,913	$18,344	$9,564	$33,793
Median Amount	$3,144	$9,000	$5,097	$11,998

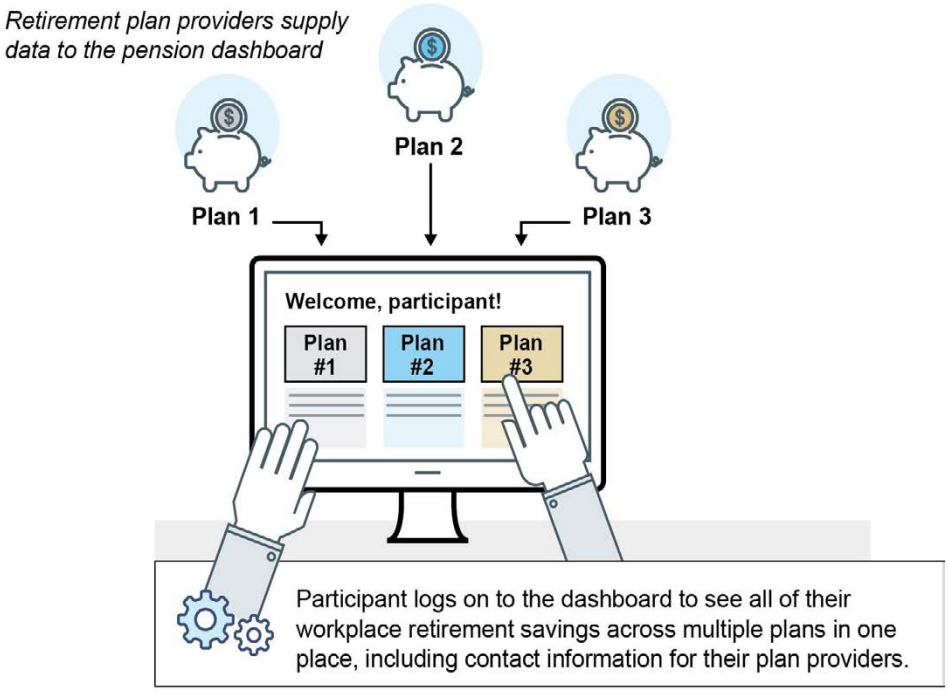
Source: GAO survey of 14 selected 401(k) plan record keepers. | GAO-24-103577

GAO also examined how six selected countries—Australia, Belgium, Denmark, the Netherlands, Norway, and Sweden—help retirement plan participants manage their savings. GAO found that all six countries use pension dashboards and other approaches to help plan participants track, manage, and consolidate their plan savings and reduce fees. For example, all six countries established a centralized pension dashboard that allows participants to view their retirement savings securely online and at no charge. According to experts from the countries, the dashboards help participants keep track of their various workplace retirement accounts as they change jobs.

What GAO Recommends

GAO recommends that Congress consider granting authority to a federal agency to (1) establish a pension dashboard and (2) establish a system for automatic plan-to-plan rollovers. GAO is also making four recommendations to federal agencies to help 401(k) participants, including improving the information participants receive about options for their plan savings and the process they must undergo to consolidate their savings after changing jobs.

Pension Dashboards Allow Participants to Track Their Plan Savings in One Place



Source: GAO interviews with experts from selected countries and analysis of written materials they provided. | GAO-24-103577

Accessible Text for Pension Dashboards Allow Participants to Track Their Plan Savings in One Place

- Retirement plan providers supply data to the pension dashboard
- Participant logs on to the dashboard to see all of their workplace retirement savings across multiple plans in one place, including contact information for their plan providers.

Source: GAO interviews with experts from selected countries and analysis of written materials they provided. GAO (icons). | GAO-24-103577

To increase the likelihood that participants' savings will be consolidated after a job change, three of the six selected countries allow automatic savings transfers, according to experts GAO interviewed. For example, Australia, Norway, and the Netherlands allow a participant's inactive retirement plan savings from older workplace plans, to be transferred to the participant's current, active plan without the participant's consent. In Australia, plan providers must transfer savings from small inactive accounts to a government agency. The agency then holds the savings until the participant claims them, the agency transfers them to an active account, or the participant is eligible to receive the savings. Australian officials said close to 4.7 million accounts valued at $7.11 billion AUD (about $4.61 billion USD) have been reunited with participants between late 2019 and the end of 2022, helping them consolidate savings into their active accounts.

In the U.S., 401(k) participants face challenges tracking and consolidating their accounts. However, federal action could mitigate these challenges. Federal data show that more than 92 million Americans participate in and have saved more than $7 trillion in 401(k) plans. Yet, GAO's nationally-representative survey of 401(k) participants found that participants continue to encounter challenges in managing and tracking their accounts as they move from one job to another. According to GAO's survey, two-thirds of 401(k) participants would find a comprehensive pension dashboard, where they can see all of their current and old plan savings in one place, to be a useful resource. However, no federal agency has statutory authority to establish a pension dashboard.

GAO's survey also found that 401(k) participants who recently completed a plan-to-plan rollover faced challenges understanding and complying with their plans' requirements. For example, 25 percent of participants indicated that there were too many steps to follow in the process and 22 percent said they were unclear about questions or information in the rollover form. Allowing plans to automatically roll over participants' savings to their new plan after they change jobs can be beneficial for participants—particularly those unengaged with their plan—because they can benefit from account consolidation without navigating a challenging manual process. However, no federal agency has the statutory authority to establish a system to facilitate automatic plan-to-plan rollovers.

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Abbreviations

ATO	Australian Taxation Office
COVID-19	Coronavirus Disease 2019
CRD	Coronavirus-Related Distribution
DOL	U.S. Department of Labor
EAC	ERISA Advisory Council
EBSA	Employee Benefits Security Administration
ERISA	Employee Retirement Income Security Act of 1974
IRA	individual retirement account
IRC	Internal Revenue Code

IRS	Internal Revenue Service
OTP	Treasury's Office of Tax Policy
PBGC	Pension Benefit Guaranty Corporation
SSA	Social Security Administration
Treasury	U.S. Department of the Treasury

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U.S. GOVERNMENT ACCOUNTABILITY OFFICE
441 G St. N.W.
Washington, DC 20548

January 18, 2024

The Honorable Robert P. Casey
Chairman
Special Committee on Aging
United States Senate

The Honorable Margaret Wood Hassan
Chair
Subcommittee on Emerging Threats and Spending Oversight
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Susan Collins
United States Senate

The Honorable Tim Scott
United States Senate

Investing in employer-sponsored 401(k) plans has become the most common way for American workers to save for retirement. Federal agency data show that more than 92 million Americans participate in 401(k) plans and have more than $7 trillion in retirement savings in such plans.[1] Most Americans will rely on 401(k) plans, in addition to Social Security and other savings, for their retirement security, and some Americans may choose to access their 401(k) savings in emergencies.

Even with the growth and magnitude of 401(k) plans, however, it is likely that many 401(k) plan participants will face one or more challenges in their efforts to save for retirement.[2] For example, 401(k) plans can allow participants the ability to access their savings before their retirement in emergency situations, but doing so can erode a participant's account savings and have costly tax implications. Participants can also face challenges saving for retirement if they lose track of their accounts or can

[1] The U.S. Department of Labor Employee Benefits Security Administration, *Private Pension Plan Bulletin:* Abstract *of 2020 Form 5500 Annual Reports*, Version 1.0 (Washington, D.C.: Oct. 2022).

[2] GAO, The Nation's Retirement System: A Comprehensive Re-evaluation is Needed to Better Promote Better Future Retirement Security, GAO-18-111SP (Washington, D.C.: Oct. 2017).

face difficulties consolidating their plan savings following job changes during their career.

The COVID-19 pandemic brought into focus a particular challenge—401(k) plan participants benefit from not prematurely withdrawing their savings but may also need to access those savings in a financial emergency, such as a sudden job loss. The CARES Act included options that temporarily expanded workers' access to their 401(k) plan savings to help mitigate some of the financial difficulties that workers experienced as a result of the pandemic.[3] However, the extent to which workers participating in 401(k) plans had access to or used these expanded options was unknown. Other issues, such as what to do with retirement savings as workers move from one job to another may also continue to present challenges. The average worker may change jobs 10 or more times during a 40-year career.[4] Indecision about what to do with their retirement savings as they change jobs or uncertainty about how to meet necessary requirements in managing their accounts can affect workers' retirement security over the course of their career.

We have previously reported on challenges that workers faced in rolling over their retirement savings from one plan to another after job changes.[5] We have also reported on challenges related to "lost" 401(k) retirement accounts—savings that participants leave behind in their former employer's plan and are not reunited with participants. Such lost accounts continue to be a problem for both employers and 401(k) plan participants. In 2014, we estimated that, from 2004 through 2013, workers who separated from their jobs left behind $8.5 billion in retirement savings in more than 16 million accounts of $5,000 or less in their former employers' plans.[6]

You asked us to examine the accessibility and portability of 401(k) plan savings. This report examines: (1) the accessibility of 401(k) plan participants' savings during the COVID-19 pandemic in 2020 using the

[3] Pub. L. No. 116–136, § 2202, 134 Stat. 281, 340-43 (2020).

[4] The Department of Labor's Bureau of Labor Statistics reported that the median number of years that wage and salary workers had been with their current employer was 4.1 years in 2020.

[5] GAO, 401(k) Plans: Labor and IRS Could Improve the Rollover Process for Participants, GAO-13-30 (Washington, D.C.: Mar. 7, 2013).

[6] GAO, 401(k) Plans: Greater Protections Needed for Forced Transfers and Inactive Accounts, GAO-15-73 (Washington, D.C.: Nov. 21, 2014).

CARES Act options; (2) approaches other countries with workplace retirement plans use to help their participants track, manage, and consolidate savings as they change employers; and (3) challenges with 401(k) plan-to-plan rollovers and federal actions that could be taken to improve the process for plan participants.

First, to examine the accessibility of 401(k) plan participants' savings during the COVID-19 pandemic in 2020 using the CARES Act options, we reviewed relevant federal laws, regulations, and guidance to understand the requirements pertaining to participant access to plan savings. Between August and December 2020, we interviewed a non-generalizable sample of 27 retirement industry stakeholders, including plan record keepers (companies that manage participant data and transactions for plans through their administrative platform), plan consultants, attorneys, and retirement industry groups to understand considerations and factors that may affect whether plan sponsors offered the CARES Act options to their participants. We selected stakeholders that represent or provide service to a range of plan sponsor clients, such as those that work primarily with large plan sponsors to those that focus on the small plan market.

Additionally, we conducted a non-generalizable survey of 401(k) plan record keepers in 2021 to better understand 401(k) participants' access to and use of the CARES Act options during calendar year 2020, when the options were generally available. We selected record keepers to survey based on industry lists of companies ranked by their total 401(k) assets under management. To develop and test our survey, we interviewed 401(k) plan record keepers to understand how they: (1) worked with plan sponsors to offer the CARES Act options to participants and (2) track participant use of traditional and CARES Act plan access options.

To help ensure our survey reflected a diverse market of 401(k) plans across plan size, we contacted 401(k) record keepers from three separate top 10 lists of 401(k) record keepers ranked by: (1) total 401(k) assets under management, (2) the greatest number of 401(k) plans with assets less than $10 million, and (3) the greatest number of 401(k) plans with assets greater than $100 million, as published in a survey by Plan Sponsor Magazine.[7] We also contacted record keepers that were not on the lists to obtain a greater representation of plans in our survey. Some

[7] PLANSPONSOR, 2020 Recordkeeping Survey, accessed August 12, 2020, https://www.plansponsor.com/research/2020-recordkeeping-survey/8/#Top%20Recordkeepers.

record keepers we contacted declined to participate in our survey. In total, we sent our survey questionnaire to 21 record keepers, 15 of whom we also interviewed. We requested summary data on the 401(k) plans they service, their plans' adoption of the CARES Act options, and the access to and use of the CARES Act options by 401(k) participants serviced by their plans through the end of 2020.

We compiled and analyzed data provided to us by 14 record keepers (out of a total of 21 record keepers we contacted) that responded to our survey questionnaire. Their combined data created a non-generalizable sample of 401(k) plans, representing more than 220,000 plans, about 46 million participants, and more than $4.6 trillion in total assets, as of the end of 2020.[8] We determined the record keeper data were reliable for our purposes of gaining an understanding of the availability and use of the CARES Act options among our sample of 401(k) plans in 2020.

Second, to examine the approaches other countries with workplace retirement plans use to help their participants track, manage, and consolidate savings as they change employers, we identified six countries: Australia, Belgium, Denmark, the Netherlands, Norway, and Sweden. We selected these countries because they have: (1) a pension dashboard that allows workers to track their workplace retirement savings; (2) workplace retirement plan savings that can be portable; and (3) other approaches, such as automatic plan-to-plan consolidation, to help workers consolidate their workplace retirement savings. In addition, we interviewed experts in the European Union (E.U.) and the United Kingdom (U.K.) because both the E.U. and U.K. are in the process of implementing their own pension dashboards and have more comparably-sized population with the U.S.[9]

In each country, we interviewed: (1) officials representing the pension dashboard; (2) government officials with oversight responsibility for workplace retirement plans; and (3) retirement stakeholders, such as those representing the retirement industry trade group, plan providers,

[8] In 2020, employers sponsored more than 620,000 401(k) plans with active participation from more than 72 million workers. The assets held in these plans totaled more than $7 trillion. The U.S. Department of Labor Employee Benefits Security Administration, *Private Pension Plan Bulletin: Abstract of 2020 Form 5500 Annual Reports*, Version 1.0 (Washington, D.C.: Oct. 2022).

[9] We also reported in 2014 that the E.U. and U.K. had initiated efforts to help participants track and consolidate their workplace retirement savings. GAO-15-73.

and labor or social partners involved in negotiating or operating plans on behalf of their members.

For each of our selected countries, we also reviewed background information and materials provided by stakeholders. We did not conduct an independent legal analysis to verify the information provided about the laws or regulations of the countries selected for this review. Instead, we relied on appropriate secondary sources and interviews with relevant officials, and other sources to support our work. We submitted key report excerpts to officials in each country for their review and verification, and we incorporated their technical corrections as necessary.

Third, to examine challenges with 401(k) plan-to-plan rollovers and any action federal regulators could take to improve the process for plan participants, we interviewed officials from the Department of Labor (DOL), Department of the Treasury (Treasury), the Internal Revenue Service (IRS), the Pension Benefit Guaranty Corporation (PBGC), and the Social Security Administration (SSA). We reviewed agency documentation, including available guidance and federal regulations, related to the rollover process.

In addition, we surveyed 401(k) plan participants who, within the last 3 years, completed a rollover of their savings to another 401(k) plan, or those who were eligible but did not complete a plan-to-plan rollover.[10] The survey asked participants about their tax-deferred 401(k) plan savings and specifically excluded Roth 401(k) plans, 403(b) plans, and 457 plans. The survey questions asked about participants' experience managing their 401(k) plan retirement savings after leaving their employer, including information they received from their plans about their options, their understanding of their options, and their decision-making with respect to what options they took. For those who completed a plan-to-plan rollover, the survey questions asked participants about their experience and impression with various aspects of the rollover process.

[10] Our survey was administered by an independent research institution to a national panel of 401(k) participants from February 2, 2022 to February 24, 2022, and from June 30, 2022 to July 28, 2022 to collect additional data. The survey asked eligibility questions that identified individuals who, within the last 3 years, had either: completed a plan-to-plan rollover or were eligible to complete a plan-to-plan rollover but, instead, took a different option with their plan savings. All estimates from the survey are subject to sampling error. In terms of the margin of error at the 95 percent confidence level, the sampling error for estimates in this report is plus or minus 10 percentage points or lower, unless otherwise noted.

We analyzed survey responses for 1,043 participants (551 who completed a rollover and 492 who did not complete a rollover), which are generalizable to the population of 401(k) participants in the U.S. who were eligible to complete a rollover within the last 3 years. The weighted cumulative response rate was 3.8 percent. See appendix II for a technical discussion of the survey methodology; and appendix III for a reproduction of the survey instrument.

We conducted this performance audit from November 2019 to January 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Traditional Hardship Withdrawal and Loan Options

Employers that sponsor 401(k) plans have flexibility under federal law and regulations to choose whether to allow plan participants access to their tax-deferred retirement savings prior to retirement and what forms of access to allow.[11] Typically, 401(k) plan sponsors can allow participants to access their savings by taking hardship withdrawals or loans from their accumulated retirement savings to help participants meet certain pre-retirement financial needs. Each of these traditional options to access savings have different terms and potential tax implications for participants (see table 1).

[11] Under the Employee Retirement Income Security Act of 1974, as amended, (ERISA) employers may sponsor defined contribution plans, which are a type of retirement plan in which benefits are based on contributions and the performance of the investments in participants' individual accounts. The 401(k) plan is the predominant type of defined contribution plan in the United States. U.S. Department of Labor Employee Benefits Security Administration, *Private Pension Plan Bulletin: Abstract of 2020 Form 5500 Annual Reports*, Version 1.0 (Washington, D.C.: Oct. 2020).

Table 1: Summary of 401(k) Plan Savings Access Options under Traditional Rules

	Hardship Withdrawals	Plan Loans
Availability and Participant Eligibility	If plan allows option, it is available upon hardship of the participant if the withdrawal is made because of an immediate and heavy financial need and the amount is necessary to satisfy the financial need (such as for certain medical expenses, the purchase of a principal residence, college tuition, and certain funeral expenses).	Any time allowed by the plan, and if the participant is eligible, plans may specify circumstances in which loans are available.
Maximum Amount Allowed	Amount withdrawn is limited to the amount necessary to satisfy an immediate and heavy financial need.	Maximum loan amounts are set by each plan, but generally cannot exceed the maximum of $50,000, or 50 percent of the participant's vested account balance, whichever is less.
Tax Implications	Amount withdrawn is taxed as income, plus an additional 10 percent tax for early distribution for participants younger than age 59 ½.	Amount of the loan is generally not taxed as income if the participant repays the loan within the terms specified by the plan; otherwise, the outstanding amount is treated as a distribution and is taxed as income, plus an additional 10 percent tax for early distribution for participants younger than age 59 ½.
Repayment	Cannot be repaid, considered a permanent withdrawal from a plan.	Must occur within 5 years unless the loan was taken for the purchase of a primary residence. Typically, repayments are subject to a plan's defined interest rate and repayment methods that meets certain requirements, and can occur through payroll deductions.

Source: GAO analysis of the IRC and Treasury Regulations. | GAO-24-103577

CARES Act Withdrawal and Loan Options

The CARES Act, enacted in March 2020, temporarily expanded plan distribution and loan options that 401(k) plans could offer to participants affected by the pandemic (see table 2).[12] Plans generally allowed participants to access their 401(k) retirement savings through CARES Act options if the participant: was diagnosed with COVID-19, had a spouse or dependent diagnosed with COVID-19, or experienced adverse financial consequences as a result of (1) being quarantined, furloughed, or laid off, or having to work reduced hours due to COVID-19, (2) being unable to work due to lack of child care due to COVID-19, or (3) having to close or reduce the hours of a business they owned or operated due to COVID-19.

[12] Pub. L. No. 116-136, § 2202, 134 Stat. 281, 340-42 (2020).

Table 2: Summary of Selected 401(k) Plan Access Options under the CARES Act

	Coronavirus-Related Distributions (CRD)	CARES Act Loans
Availability	1/1/2020 – 12/30/2020	3/27/2020 – 9/22/2020
Maximum Amount Allowed	Up to $100,000	Up to the participant's entire vested amount, or $100,000, whichever is less
Tax Implications	Amount withdrawn is taxed as income. Participants can elect to include the full amount of the CRD as taxable income in the year the CRD is made; otherwise, the income inclusion is spread equally over 3 tax years beginning with the year in which the CRD is made. The additional 10 percent tax for early withdrawal does not apply.[a]	Amount of the loan is generally not taxed as income if the participant repays the loan within the terms specified by the plan; otherwise, the outstanding amount of the loan is taxed as income, plus an additional 10 percent tax for early distribution for participants younger than age 59 ½. Loans for which payments were suspended are adjusted for interest that accrued during the suspension period.
Repayment	Participants may repay the CRD at any time during the 3-year period beginning on the day after the date the CRD was received.	Participants could have eligible loan payments suspended for up to 1 year, effectively allowing participants up to 6 years to repay a loan. Typically, repayments are subject to a plan's defined interest rate and repayment methods, and occurs through payroll deductions.

Source: GAO analysis of Pub. L. No. 116-136, § 2022, 134 Stat. 281, 340-43 (2020). | GAO-24-103577

[a]If a participant's plan did not adopt the CRD option, the IRS allowed a qualified participant to treat a distribution that meets the requirements to be a CRD as coronavirus-related on the individual's federal income tax return. To qualify, the participant must have otherwise met the CARES Act criteria for a CRD.

401(k) Plan Distribution Options and Rollover Process

As shown in figure 1, when 401(k) plan participants leave their job, they generally have four options for their plan savings:

(1) leave their savings in their former employer's plan,

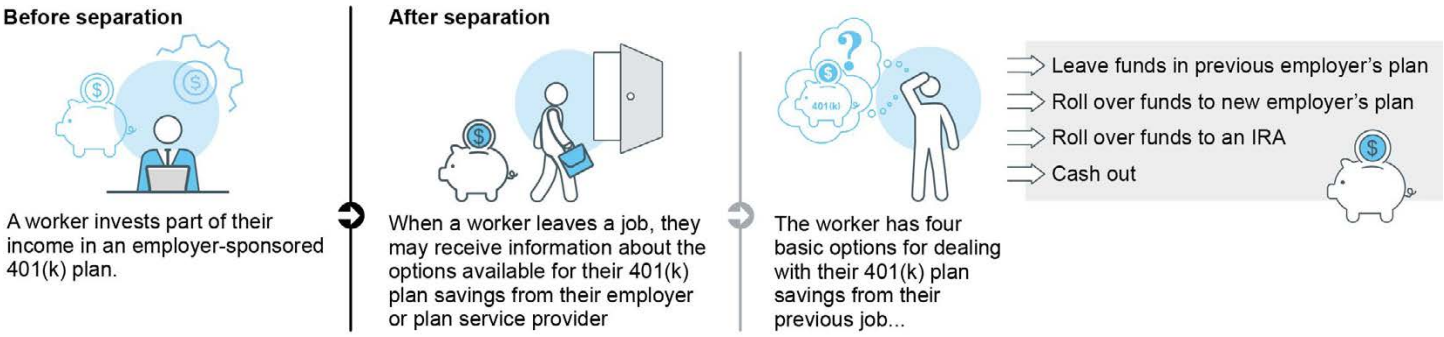
(2) consolidate their savings by rolling it over into a new plan sponsored by their new employer (i.e., a plan-to-plan rollover),

(3) roll over their savings into an Individual Retirement Account (IRA), or

(4) take a lump sum distribution of their plan savings (i.e., a "cash-out"[13]).[14]

While many participants take distributions from plans when they leave their jobs, others may wait to take such distributions at a later date.

Figure 1: 401(k) Plan Participants Generally Have Four Options for Their Plan Savings After They Leave Their Jobs



Source: GAO analysis of plan savings distribution rules and rollover process. GAO (icons). | GAO-24-103577

Accessible Text for Figure 1: 401(k) Plan Participants Generally Have Four Options for Their Plan Savings After They Leave Their Jobs

Before separation

- A worker invests part of their income in an employer-sponsored 401(k) plan.

After separation

[13] We use the term "cash out" to refer to a lump-sum distribution made to an employee at job separation that is not subsequently rolled over into a qualified employer plan or IRA. For more information on the effects of cash outs see GAO, *Retirement Savings: Additional Data and Analysis Could Provide Insight into Early Withdrawals,* GAO-19-179. *(Washington, D.C.: Mar. 28, 2019).*

[14] In some circumstances plan participants may choose a combination of options, such as leaving a portion of assets in the plan and taking a partial distribution. Not all plans accept rollovers from other plans. However, some participants have more limited options; specifically, the Internal Revenue Code allows former employers to force participants with vested balances of $5,000 or less ($7,000 beginning after December 31, 2023) out of their 401(k) plans, and absent participant instruction, transfer their savings into an individual retirement account (IRA). If a participant's account balance is $1,000 or less, a plan can pay the account balance directly to the participant. We refer to these transfers to an IRA for a participant as "forced-transfers" in this report. 26 U.S.C. § 401(a)(31)(B).

- When a worker leaves a job, they may receive information about the options available for their 401(k) plan savings from their employer or plan service provider
- The worker has four basic options for dealing with their 401(k) plan savings from their previous job
  - Leave funds in previous employer's plan
  - Roll over funds to new employer's plan
  - Roll over funds to an IRA
  - Cash out

Source: GAO analysis of plan savings distribution rules and rollover process. GAO (icons). | GAO-24-103577

Note: Plans are not always required to permit separated participants to leave funds in the plan once they separate from employment if the balance is less than $5,000 ($7,000 after December 31, 2023). Plans are also not required to accept rollovers. Participants must check with the new plan's administrator to determine if the plan permits rollovers into the plan. In some cases, participants may be offered the option to annuitize their 401(k) plan savings at annuity purchase rates offered through the plan if they are retiring. However, after such a purchase, participants typically are no longer plan participants and their annuity benefit is the responsibility of the insurance company from which the annuity is purchased. The first three options allow 401(k) participants to preserve the tax-deferred status of their plan savings. In contrast, for the fourth option—a cash-out—the Internal Revenue Code (IRC) imposes an additional 10 percent tax (in addition to ordinary income tax) on savings cashed-out from qualified retirement plans, such as 401(k) plans, if the participant is younger than 59½. In addition, employers must withhold 20 percent of the cashed-out savings to cover anticipated income tax.

The first three options allow 401(k) participants to preserve the tax-deferred status of their plan savings. In contrast, for the fourth option—a cash-out—the Internal Revenue Code (IRC) imposes an additional 10 percent tax (in addition to ordinary income tax) on savings cashed-out from qualified retirement plans, such as 401(k) plans, if the participant is younger than 59½. The additional 10 percent tax is intended to discourage taking plan savings for uses other than retirement. It also helps ensure that the favorable tax treatment for plan savings is limited to providing participants with retirement income. In addition, employers must withhold 20 percent of the cashed-out savings to cover anticipated income tax.[15]

Plan participants can roll over their savings from their former employer's plan to their new employer's plan or to an IRA in two ways:

[15] 26 U.S.C. § 3405(c)(1)(B).

- In a direct rollover[16], a 401(k) plan can roll over a participant's savings to another 401(k) plan by either: (1) sending the funds directly to the new employer's retirement plan or to an IRA, or (2) mailing the separated participant a check made payable to the new plan or IRA, and that the participant then has to deliver to the new plan or IRA.[17]
- In an indirect rollover, the former employer's 401(k) plan issues the separated participant a check, payable to the participant, who then has 60 days from the date of receipt to either cash the distribution check and write a personal check to the new employer's retirement plan, or endorse the distribution check and mail it to the new employer's retirement plan.[18] A plan could also send the funds electronically to a participant's bank account and the new employer's plan might allow the participant to electronically transfer the funds into their new plan account. Whether the participant receives their funds as a check or through an electronic transfer, the 20 percent withholding for anticipated taxes applies because the transferred funds are considered a cash distribution.[19] However, the ordinary income tax and additional 10 percent tax for early withdrawal for individuals younger than 59 ½ do not apply to funds rolled into a new employer plan or IRA.

Federal Regulatory Oversight of 401(k) Plan Distributions

- Treasury's Office of Tax Policy (OTP) develops tax policies and programs and reviews regulations and rulings to administer provisions of the Internal Revenue Code (IRC) related to the tax consequences of the distribution options available to 401(k) participants who have separated from their employer. The IRS, an agency within Treasury, administers and enforces provisions in the IRC related to 401(k) plans. The IRC requires plans to provide a "402(f) Special Tax Notice"

[16] A direct rollover is when a participant specifies the plan to which their distribution should be transferred. The plan can transfer the money via non-transferable check made out to the receiving entity or electronically. The ability to transfer money electronically depends on the ability and policy of the distributing and receiving entities. Indirect rollovers are rollovers that are not direct rollovers.

[17] 26 U.S.C. §§ 401(a)(31), 402(c)(1).

[18] 26 U.S.C. § 402(c)(3).

[19] If the participant rolls over the remaining 80 percent into a tax-qualified account within the 60-day period, the individual will have to add funds from other sources to replace the 20 percent withheld or that withholding will count as income subject to income tax.

(often referred to as the "Rollover Notice" or 402(f) Notice) to participants who have separated from their employer and requested a distribution. The 402(f) Notice communicates information about the tax consequences of the distribution options for their plan savings.[20] The 402(f) Notice is the only disclosure that plans are required to provide to participants eligible for a rollover specifically about the options for their plan savings and their related tax consequences. To help plans and participants understand and meet their obligations under the IRC, Treasury and IRS issue regulations and guidance, including rulings and notices.

- The DOL's Employee Benefits Security Administration (EBSA), has broad responsibilities under Title I of the Employee Retirement Income Security Act of 1974, as amended, (ERISA) to protect the interests of plan participants and their beneficiaries. ERISA set minimum standards and requirements for most private sector pension plans, including 401(k) plans, and established standards of conduct for plan fiduciaries, which include plan sponsors. ERISA fiduciaries must act solely in the interest of plan participants and beneficiaries for the exclusive purpose of providing plan benefits. To carry out its responsibilities, EBSA issues regulations and guidance, and educates plan participants, beneficiaries, and plan sponsors. EBSA also enforces ERISA's reporting and disclosure and fiduciary responsibility provisions, which include requirements related to the type and extent of information that a plan administrator must provide to plan participants. EBSA also helps participants locate information about their employer-sponsored retirement benefits through its benefit advisors who can work with individuals to reunite them with their savings.
- The PBGC was created by ERISA to encourage the continuation and maintenance of private sector defined benefit pension plans, provide timely and uninterrupted payment of pension benefits, and keep pension insurance premiums at a minimum. The Pension Protection Act of 2006 amended ERISA by granting PBGC the authority to expand its Missing Participants Program for terminated defined benefit plans.[21] The expanded program permits terminating defined contribution plans, including 401(k) plans, to transfer the assets of

[20] 26 U.S.C. § 402(f)(1). The "402(f) Notice" explains the tax implications of the different distribution options available to separating employees. 26 C.F.R. § 1.402(f)-1. The latest IRS model 402(f) Notice published in 2020 is posted at https://www.irs.gov/irb/2020-35_IRB#NOT-2020-62.

[21] Pub. L. No. 109-280, § 410, 120 Stat. 780, 934-35.

missing participants to PBGC.[22] The goal of PBGC's Missing Participants Program is to connect missing participants with their benefits from terminated plans. PBGC does this by locating participants and beneficiaries who were missing when their plans ended. When found, depending on arrangements made by the plan when it closed out, PBGC either provides the benefit or information about where the participant's account is being held.

ERISA Advisory Council

The ERISA Advisory Council (EAC) is an advisory body appointed by the Secretary of Labor whose duties are to advise the Secretary and submit recommendations regarding the Secretary's functions under ERISA. Typically, DOL's EBSA will suggest issues for the EAC to consider. For each issue, the EAC defines the issue to investigate, takes testimony from witnesses, and submits a report of findings and recommendations to DOL. The EAC is comprised of a diverse cross-section of stakeholders in the retirement industry, representing plans, employers, and the general public.[23]

SECURE 2.0 ACT of 2022

The SECURE 2.0 Act of 2022 (SECURE 2.0 Act) included provisions related to tracking and consolidating 401(k) plan savings (see table 3).[24]

[22] Generally, a missing participant is a former employee who has left savings in a qualified retirement savings plan at their former employer, but is not responsive to contact from their plan or their plan cannot locate them.

[23] Section 512 of ERISA provides for the establishment of an Advisory Council on Employee Welfare and Pension Benefit Plans, known as the ERISA Advisory Council. See 29 U.S.C. § 1142. The council consists of 15 members appointed by the Secretary of Labor. Three members are representatives of employee organizations (at least one of whom represents an organization whose members are participants in a multiemployer plan). Three members are representatives of employers (at least one of whom represents employers maintaining or contributing to multiemployer plans). Three members are representatives of the general public. There is one representative each from the fields of insurance, corporate trust, actuarial counseling, investment counseling, investment management, and accounting.

[24] The SECURE 2.0 Act of 2022 was enacted as Division T of the Consolidated Appropriations Act, 2023. Pub. L. No. 117-328, div. T, 136 Stat. 4459, 5275-404.

Table 3: Summary of Selected SECURE 2.0 Act Provisions Related to 401(k) Plan Portability

Category	Category information
Expanding automatic enrollment in retirement plans	Beginning in 2025, new 401(k) plans will be required to automatically enroll eligible workers with a contribution rate of at least 3 percent and automatically increase their contribution rates by 1 percentage point each year to at least 10 percent but no more than 15 percent.
Retirement savings lost and found	Directs the Department of Labor, in consultation with the Department of Treasury (Treasury), to establish within 2 years a national searchable online database called the Retirement Savings Lost and Found.
Updating dollar limit for force-out distributions	Increases the threshold for account balances subject to forced-transfers from $5,000 to $7,000, beginning with distributions made after December 31, 2023.[a]
Exemption for certain automatic portability transactions	Creates an exemption from the tax on prohibited transactions in the Internal Revenue Code for certain automatic portability transactions. The exemption permits private providers to receive certain fees in connection with the transfer of an individual's savings in a forced-transfer IRA to another tax-qualified employer-sponsored retirement plan (including a 401(k) plan) without their affirmative consent
Treasury guidance on rollovers	Requires Treasury to "simplify, standardize, facilitate, and expedite the completion of rollovers to eligible retirement plans" by developing and issuing guidance in the form of sample forms (including relevant procedures) that are written in a manner to be understood by the average person and can be used by both distributing plans and receiving plans
Report to Congress on section 402(f) notices	Requires GAO to report to Congress on the effectiveness of the 402(f) Notice within 18 months.

Source: GAO analysis of the SECURE 2.0 Act of 2022 Pub L. No. 117-328, div. T, 136 Stat. 4459, 5275-404. | GAO-24-103577

[a]The Internal Revenue Code allows former employers to force participants with vested balances of $5,000 ($7,000 beginning after December 31, 2023) or less out of their 401(k) plans, and absent participant instruction, transfer their savings into an individual retirement account (IRA) or, for account balances of $1,000 or less, directly to participants, referred to as "forced-transfers" in this report. 26 U.S.C. § 401(a)(31)(B).

Tracking and Consolidating Workplace Retirement Plans in Other Countries

Workplace retirement plans are retirement savings vehicles that workers typically access through their current employer and to which they and their employer can make contributions.[25] Similar to the U.S., countries selected for this review—Australia, Belgium, Denmark, the Netherlands, Norway, and Sweden—all have mobile workers and workplace retirement plans where plan savings, such as the value of an account or accrued plan benefits, can be transferred to another plan, typically after a worker

[25] In this report, we use the terms "workplace retirement plans" or "workplace retirement accounts" to refer to retirement plans that workers access based on their employment. Instead of "plans" or "accounts," other countries may use terms including, "fund," "scheme," "superannuation," or "occupational pension plan". In addition, other countries use terms such as "affiliates" or "members" to describe workers who participate in workplace retirement plans. In this report, we will use the term "participant."

changes employers. In addition, workers in our selected countries can accumulate multiple plans or accounts during their career and benefit from being able to track, manage, and consolidate their savings in support of their retirement.

About One-Third of the 401(k) Plans in Our Sample Offered, and Few of Their Participants Accessed, Coronavirus-Related Distributions in 2020

Plan Record Keepers and Other Factors Affected Whether Plans Offered Coronavirus-Related Distribution and CARES Act Loan Options

Less than one-third of plans represented in our survey of 401(k) record keepers offered Coronavirus-Related Distributions and the CARES Act Loans.[26] Specifically, according to the surveyed record keepers, close to 30 percent of the 401(k) plans offered the CRD option, and just over 15 percent of the plans offered the CARES Act loan option that increased the amount that could be borrowed. About 80 percent of participants in these plans had potential access to CRDs and close to one-half had potential access to the CARES Act loan option that increased the amount that could be borrowed (see table 4).

Table 4: Availability of CARES Act Options in 2020 from our Survey of Selected Record Keepers

	Coronavirus-Related Distributions (CRD)	CARES Act Loans
Plans that offered the option	29%	16%
Participants with access to option	80%	46%

[26] Based on responses to our survey questionnaire, we aggregated data from 14 record keepers about the availability and use of CARES Act options, which included reporting on the number of plans and plan participants. The 14 record keepers served a total of 223,282 plans and 45,968,076 plan participants as of the end of 2020. In 2020, employers sponsored more than 620,000 401(k) plans with participation from more than 92 million workers. The assets held in these plans totaled more than $7 trillion. The U.S. Department of Labor Employee Benefits Security Administration, *Private Pension Plan Bulletin: Abstract of 2020 Form 5500 Annual Reports*, Version 1.0 (Washington, D.C.: Oct. 2022).

Source: GAO survey of 14 selected 401(k) plan record keepers. | GAO-24-103577

Note: Participants did not have to repay a Coronavirus-Related Distribution, but had the option of recontributing to a plan within 3 years. Participants could recontribute funds, up to the entire distribution amount, to a qualified retirement plan. The amount withdrawn was taxed as income. Participants could spread the income inclusion equally over 3 tax years, and were not subject to the additional 10 percent tax for early withdrawal. CARES Act loans refer to the option for participants to borrow up to the lesser of $100,000 or their entire vested account balance. Participants are generally not subject to taxation if the loan was fully repaid within the terms of the loan. Amounts not repaid by a participant are subject to taxation as a distribution, including the additional 10 percent tax for early withdrawal, if applicable.

Selected industry stakeholders told us that record keeper decisions influenced whether plans adopted the CARES Act options because of record keepers' role in making plan access options available to their 401(k) plans. The stakeholders explained that once the CARES Act was enacted in March 2020, record keepers worked quickly to update their administrative platforms to make those expanded access options available to plans that may want to offer them to participants. Moreover, to implement the CARES Act options, record keepers took different approaches by requiring their plans to either: (1) opt-in to make the CARES Act options available to their participants, or (2) opt-out if they did not want to make the CARES Act options available to participants. Ten of the 14 record keepers we interviewed required their plans to opt-in to make some or all of the CARES Act options available to their participants. Plans that did not opt-in with their record keeper were defaulted into not making the CARES Act options available to their participants. Conversely, three record keepers we interviewed required plans to opt-out if they did not want to make the CARES Act options available to participants. In this instance, plans that did not opt-out were automatically defaulted by their record keeper into offering some or all of the CARES Act options.

Record keepers also considered a number of factors when deciding whether to require their plans to opt-in or opt-out of making the CARES Act options available, according to stakeholders. For example, one stakeholder told us that record keepers based their decisions on what they believed most of their plans would want. Industry stakeholders told us that overall, plans were more likely to adopt their record keepers' default offerings for the CARES Act options, since doing so required no additional effort. Stakeholders also said record keepers wanted to reduce their plans' administrative burden as much as possible during early 2020 and to quickly implement the CARES Act options so eligible participants could access them. One industry stakeholder told us that to simplify the implementation process, record keepers that required their plans to opt-out of the CARES Act options may have been less flexible in allowing their plans to customize how they offered those options (e.g., repayments for CRDs, and higher CARES Act loan amounts) to participants.

Some plan characteristics, such as plan size and plan sponsors' industry, also appeared to be factors in the choice to offer the CARES Act options, according to industry stakeholders. For example:

- Large plans were more likely to offer the CARES Act options because they preferred to customize the options to meet their needs, had the administrative and legal resources and expertise to handle the additional requirements associated with the expanded access options, and were better equipped to handle the work associated with the options (e.g., administering the distributions and loans).
- Smaller plans tended to rely on their record keepers' default options because they generally lacked the time or expertise to evaluate their choices, according to a plan administrator. In addition, smaller plans were not as equipped to implement some options, such as processing the CARES Act loan options that can be more burdensome to administer. Many smaller businesses administer their participants' loan repayments through their own payroll systems, which can place a strain on their business' limited resources.
- Plan sponsors from industries most adversely affected by COVID-19, such as airline and hospitality businesses that experienced downturns and employee furloughs were more likely to offer their participants access to the CARES Act options. A financial industry stakeholder told us that plan adoption of the CARES Act options appeared to track with whether the pandemic impacted their businesses. Plan sponsors in industries that experienced employee furloughs, were more likely to respond by immediately providing their participants access to their plan savings through the CARES Act options.
- Plan sponsors who maintained employment stability during the pandemic were less likely to offer the CARES Act options to their participants. Two industry stakeholders told us that industries with workers who could work remotely during the pandemic and that did not furlough their employees did not need to offer the options. Additionally, two other stakeholders told us that some employers received economic relief from the federal government during the pandemic, which may have staved off the need to offer the CARES Act options to their participants. For example, plan sponsors that received federal Paycheck Protection Program funds saw less of a need for their participants to access their plan savings using the CARES Act options, as these employers could continue paying their employees' wages, according to two plan providers. However, some plan sponsors not adversely affected by the pandemic still offered the CARES Act options because their employees' family members could

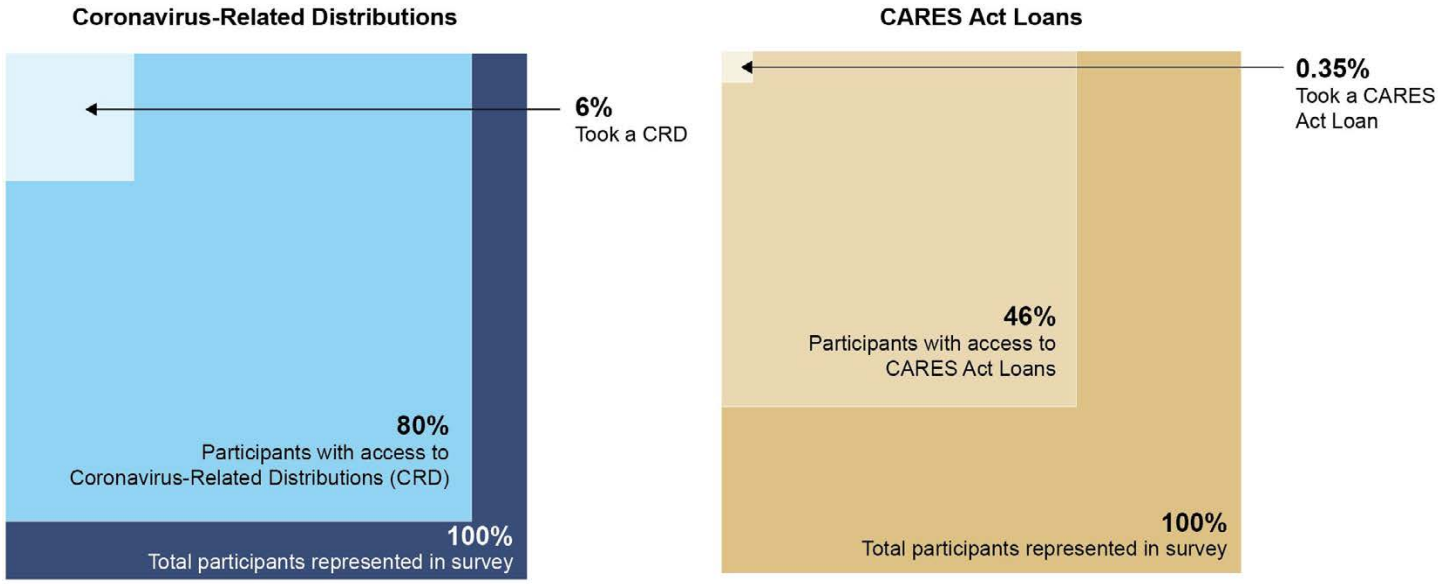
have faced layoffs or furloughs, a situation in which employees might need access to their plan savings to cover their lost income, according to stakeholders.

When deciding whether to offer the CARES Act options, plan sponsors also considered the options' potential impact on diminishing their participants' retirement savings. For example, one industry stakeholder told us the CARES Act's higher maximum loan and distribution amounts of up to $100,000, as compared to the lower amounts of traditional plan access options, were counterproductive to the goal of helping participants save for retirement. To help prevent their participants from taking out too much of their savings, some plans chose not to adopt the higher CARES Act loan limits, as they believed their existing plan loans had sufficient maximum limits, according to industry experts. Due to sponsor concerns about retirement savings leakage and participants' ability to repay loans, industry stakeholders told us sponsors may have been more likely to offer CRDs because, unlike traditional hardship withdrawals, CRDs could be repaid, and would not permanently remove savings from the plan.

Six Percent of Plan Participants in Our Sample Took a Coronavirus-Related Distribution and Less than 1 Percent Took a CARES Act Loan

Few of the participants represented by our survey used the CARES Act options offered by plan sponsors, according to our record keeper survey. Eighty percent of the participants represented in our survey had access to CRDs through their plan, and only 6 percent of the participants represented in our survey used the option. Further, 46 percent of the participants represented in our survey had access to CARES Act loans that increased the amount that could be borrowed, and less than 1 percent of the participants represented in our survey took a loan (see fig. 2).

Figure 2: Participant Access to and Use of CARES Act Options in 2020 from our Survey of Selected Record Keepers



Source: GAO survey of 14 selected 401(k) plan record keepers. | GAO-24-103577

Accessible Data for Figure 2: Participant Access to and Use of CARES Act Options in 2020 from our Survey of Selected Record Keepers

Coronavirus-Related Distributions

- 6%, Took a CRD
- 80%, Participants with access to Coronavirus-Related Distributions (CRD)
- 100%, Total participants represented in survey

CARES Act Loans

- 0.35%, Took a CARES Act Loan
- 46%, Participants with access to CARES Act Loans
- 100%, Total participants represented in survey

Source: GAO survey of 14 selected 401(k) plan record keepers. | GAO-24-103577

Note: Participants did not have to repay a Coronavirus-Related Distribution, but had the option of recontributing to a plan within 3 years. Participants could recontribute funds, up to the entire distribution amount, to a qualified retirement plan. The amount withdrawn was taxed as income.

Participants could spread the income inclusion equally over 3 tax years, and were not subject to the additional 10 percent tax for early withdrawal. CARES Act loans refer to the option for participants to borrow up to the lesser of $100,000 or their entire vested account balance. Amounts not repaid by a participant are subject to taxation as a distribution, including the additional 10 percent tax for early withdrawal, if applicable.

Of the almost 46 million participants represented in our record keeper survey, nearly 2.9 million participants took CRDs. The average CRD withdrawal was about $18,000, significantly less than the allowed $100,000 CRD limit. An industry stakeholder attributed lower CRD withdrawal amounts to what most participants may have needed during a time of crisis, where only a few participants chose to access larger sums from their 401(k) account. Moreover, stakeholders told us that not all plans had to set their maximum CRD amount at the $100,000 limit.

Nonetheless, the average CRD was more than double the average distribution compared to the traditional hardship withdrawals taken from plans in 2019. This could indicate participants experienced greater economic hardships due to the COVID-19 pandemic than they did in 2019 before the pandemic began. Participants chose their withdrawal amounts (up to $100,000) with a CRD for COVID-19 related hardships, while traditional hardship withdrawals were restricted to the amount needed to address their hardship (see table 5).

Table 5: Comparison of Average and Median Amounts of Hardship Withdrawals in 2019 and Coronavirus-Related Distributions in 2020 from our Survey of Selected Record Keepers

	2019 Hardship Withdrawalsa	2020 CARES Act Coronavirus-Related Distributions (CRD)b
Average Amount	$6,913	$18,344
Median Amount	$3,144	$9,000

Source: GAO survey of 14 selected 401(k) plan record keepers. | GAO-24-103577

Note: Averages were calculated using the 14 record keepers' reported averages equally weighted. Medians were calculated by averaging the two middle-ranking reported medians from the 14 record keepers.

[a]Hardship withdrawals are limited to the amount necessary to satisfy a participant's immediate and heavy financial need.

[b]CRDs were allowed for up to a maximum of $100,000. Individual plans could set the maximum withdrawal amount lower than $100,000.

Our record keeper survey also showed that less than 1 percent of all participants represented in our survey took CARES Act loans in 2020, with an average loan amount of close to $34,000. Similar to CRDs, CARES Act loans allowed participants to access up to $100,000 of their retirement savings, which is double the amount allowed for traditional 401(k) loans. Participants who took CARES Act loans on average

accessed more than three times the amount of savings as compared to participants who took traditional loans in 2019 (see table 6).

Table 6: Comparison of Average and Median Amounts of Plan Loans in 2019 and CARES Act Loans in 2020 from our Survey of Selected Record Keepers

	2019 Plan Loans[a]	CARES Act Loans (2020)[b]
Average Amount	$9,564	$33,793
Median Amount	$5,097	$11,998

Source: GAO survey of 14 selected 401(k) plan record keepers. | GAO-24-103577

Note: Averages were calculated using the 14 record keeper's reported averages equally weighted. Medians were calculated by averaging the two middle-ranking reported medians from the 14 record keepers.

[a]Plan loan maximum amounts are set by individual plans, but generally a participant could not exceed the maximum of a $50,000 outstanding loan balance or 50 percent of the participant's vested account balance, whichever is less.

[b]CARES Act loans were allowed for up to a maximum of the participant's entire vested 401(k) amount, or $100,000, whichever was lesser. Individual plans could set the maximum loan amount lower than $100,000.

CARES Act loans were also larger on average than CRDs. According to our survey, participants on average took over $15,000 more of their retirement savings through CARES Act loans than through CRDs. The highest average CARES Act loan amount reported from our survey of 14 record keepers was about $81,000. The highest average CRD amount reported was nearly $26,000. However, as shown in table 6, the average and median amounts of CARES Act loans were nowhere near the loan limit of $100,000, as very few plan participants took the maximum amounts.

Selected industry stakeholders told us that participants preferred the additional flexibilities of taking a CRD because it was a more advantageous option to access their plan savings. For example, industry stakeholders told us that because CRDs had the option of being repaid, participants considered it to be similar to taking a loan from their 401(k) plan. In addition, CRDs were not subject to the additional 10 percent tax for early withdrawals by participants under the age of 59 ½. Thus, participants would not be taxed as much on CRD withdrawals if they chose not to repay the funds, as compared to hardship withdrawals. A plan advisor told us that some employers may have informed participants about the tax advantages of taking a CRD, particularly the option to distribute their income inclusion equally over a period of 3 tax years

instead of being taxed in 2020 alone, which may explain why participants were more likely to take a CRD than a CARES Act loan.[27]

Stakeholders further explained that CRDs may have been a more popular option than CARES Act loans because loan repayment could be burdensome for participants. A record keeper told us that plan sponsors viewed CARES Act loans as imposing a high burden on participants who were already struggling financially. Another record keeper stated that participants' decisions to take a loan may be based on their ability to repay, and they may have found CRDs more advantageous if they could not pay back a loan. Participants may have also considered the uncertainty of their employment during the pandemic, as repayment of a CARES Act loan could last up to 6 years if the sponsor offered the option allowing a 1-year delay of the loan repayment. If a participant were to leave or lose their job before the CARES Act loan was repaid, the remaining balance of the loan would be taxed as a distribution. This circumstance could create a burden on participants, as they would need to pay taxes when they may be unprepared to do so.

According to record keepers, workers with the greatest need for access to emergency savings during the pandemic likely did not have a 401(k) plan that could be tapped for funds, such as by taking a CRD or a CARES Act loan. For example, only 41 percent of the lowest wage group of private industry workers had access to a defined contribution plan (such as a 401(k) plan), compared to 63 to 75 percent of middle wage groups, and 84 percent of the highest wage group, according to a BLS survey.[28] As a result, those workers who did not have access to 401(k) plans and needed financial assistance in 2020 likely did not have access to the CARES Act options.

Selected Countries Use Pension Dashboards, Automated Approaches, and Standardized

[27] A participant was allowed to choose their preferred taxation for CRDs: either all at once for the 2020 tax year, or spread equally over a period of 3 years (2020-2022 tax years). If the participant chose to pay the CRD back, they would be credited back the taxed amounts when filing IRS form 8915-E/F with their annual taxes.

[28] Bureau of Labor Statistics, U.S. Department of Labor, "67 percent of private industry workers had access to retirement plans in 2020" (Washington, D.C.: Mar. 2021), accessed March 15, 2023, https://www.bls.gov/opub/ted/2021/67-percent-of-private-industry-workers-had-access-to-retirement-plans-in-2020.htm.

Rollovers to Help Participants Track, Manage, and Consolidate Their Workplace Retirement Savings

Australia, Belgium, Denmark, the Netherlands, Norway, and Sweden use a number of approaches to help their workers track, manage, and consolidate their workplace retirement plan savings as they change jobs (see table 7).

Table 7: Approaches Used by Selected Countries to Help Workers Track, Manage, and Consolidate Their Workplace Retirement Plan Savings

Approach	Description	Countries
Pension Dashboard	A website that workers can securely access for no charge to see information about their workplace retirement plans in one place, including what accounts they have, how much they have saved, and contact information for their plan providers.	Australia, Belgium, Denmark, the Netherlands, Norway, and Sweden
Default Central Consolidator for Small Inactive Accounts	A participant's savings in inactive workplace retirement accounts (from former employers) meeting certain criteria (e.g., inactive period, account value, etc.) are transferred to a government agency that guarantees the savings will not be reduced by fees until it is claimed by or distributed to the account holder or automatically consolidated with an eligible active account belonging to the account holder.	Australia
Lifetime Plan Provider for Unengaged Participants	Workers who do not select a plan provider can be attached or "stapled" to an existing or new account for their career (even if they change jobs) to which their retirement savings contributions are directed, unless they elect to change plan providers.	Australia
Automatic Plan-to-Plan Consolidation	A participant's workplace retirement plan savings can be automatically transferred to their new employer's plan when they change jobs without them having to take any action.	Norway and the Netherlands
Industry / Sector-wide Plan Consolidation	Workplace retirement plans covering multiple employers in the same industry or sector that allow workers who change employers covered under the same plan agreement to remain in the same account and thereby maintain consolidated retirement savings.	Belgium, Denmark, the Netherlands, and Sweden
Standardized Plan-to-Plan Rollovers	Standardized processes for participants to efficiently roll over and consolidate their workplace retirement plans if they choose to do so.	Denmark, the Netherlands, and Norway

Source: GAO analysis and interviews with experts from selected countries and written materials experts provided. | GAO-24-103577

Using Pension Dashboards for Tracking, Consolidating, and Managing Workplace Retirement Savings

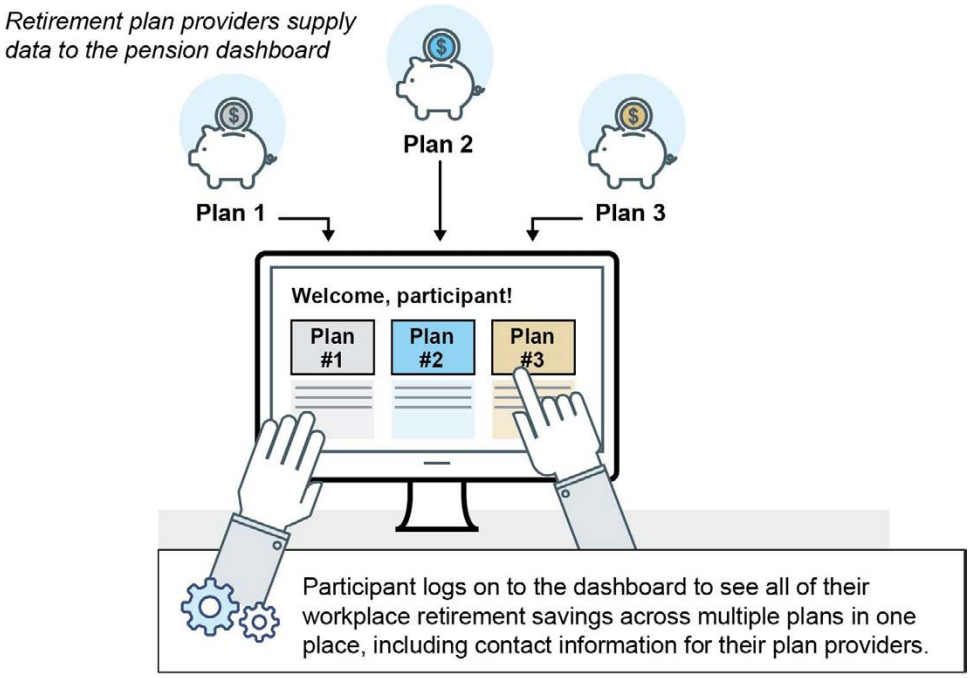
Tracking Workplace Retirement Plan Savings with a Pension Dashboard.

According to experts we interviewed in each of our six selected countries, Australia, Belgium, Denmark, the Netherlands, Norway, and Sweden each have a pension dashboard[29] that allow participants to obtain a centralized overview of their workplace retirement plan savings (see fig. 3).[30] Before each country's pension dashboard was established, participants had no centralized way to find information about their workplace retirement savings and had to review separate documents for each plan, often in the form of paper statements, from individual plan providers. According to experts, pension dashboards in our selected countries were developed to help participants track their workplace retirement plans by providing them with an overview of savings across their career in one place, rather than across multiple individual plan providers.

[29] We use the term "pension dashboard" to refer to a centralized website that individuals can securely access for no charge to see information about their workplace retirement plans across plan providers in one place, including what accounts or types of plans (e.g., defined contribution or defined benefit) they have, how much they have saved, and contact information for their plan providers. For this report, a "pension dashboard" does not refer to retirement plan information that an individual may access from an individual plan provider's website. Other countries may use the term "pension tracking system" or pension tracking service." A pension dashboard can also include information about other sources of retirement savings (i.e., government pension or private savings) but the focus of our study is on workplace retirement plans.

[30] The U.K. is in the process of establishing its pension dashboards program. Similarly, the European Union (EU) has recently begun a phased rollout of a European pension dashboard that connects member (and other participating European) countries' national pension dashboard, according to experts. The goal of the European Union pension dashboard is to help mobile workers that work in multiple countries in Europe during their careers keep track of their workplace retirement plans. To assist EU member countries establish their own national pension dashboard, the European Insurance and Occupational Pensions Authority (EIOPA), an independent advisory body to the European Union, issued a technical advice document with a set of principles, good practices, and examples drawn from countries with an existing pension dashboard. EIOPA, *Technical Advice on the Development of Pension Tracking Systems*, EIOPA-BoS-21-535 (Dec. 1, 2021).

Figure 3: Pension Dashboards Can Allow Participants to Track Their Workplace Retirement Plans in One Place



Source: GAO interviews with experts from selected countries and analysis of written materials they provided. GAO (icons). | GAO-24-103577

Accessible Text for Figure 3: Pension Dashboards Can Allow Participants to Track Their Workplace Retirement Plans in One Place

- Retirement plan providers supply data to the pension dashboard
- Participant logs on to the dashboard to see all of their workplace retirement savings across multiple plans in one place, including contact information for their plan providers.

Source: GAO interviews with experts from selected countries and analysis of written materials they provided. GAO (icons). | GAO-24-103577

Note: This is a graphic representation of how a pension dashboard can help plan participants track their workplace retirement plan savings across multiple plans accumulated during their career.

After pension dashboards were established across our selected countries, participants' inability to obtain a centralized overview of their workplace retirement savings is generally no longer a reported concern. For example, the Belgium pensions regulator told us that frequent participant inquiries about where to find their workplace retirement plans from prior jobs virtually ceased after their pension dashboard was

implemented.[31] Similarly, Australian experts told us their participants generally no longer need to worry about losing touch with and not receiving information from their plan providers because information about all their workplace retirement accounts can be found on the pension dashboard.

Belgian pensions regulators told us that instead of telling participants to check with their prior employer, co-workers, or any plan documents to find needed information about their workplace retirement savings, they can now point participants directly to the pension dashboard.

Source: interview with Belgian pension regulators | GAO-24-103577

Experts in each of our selected countries told us that their pension dashboard can show participants information about all their workplace retirement plans. This is because their country's dashboard uses either their country's unique national or tax identification number assigned to each individual. Such numbers are also used by government agencies, pension providers, banks, and other financial institutions in those countries. A unique identification number allows: (1) participants to set up a secure login to the pension dashboard, and (2) the pension dashboard operator to establish an accurate match between an individual and each of their workplace retirement accounts, which are administered using the same number. In this way, the pension dashboard can correctly link participants to each of their accounts across plan providers and display them centrally on the website, which prevents participants from losing track of their savings.

Experts in five of the six selected countries told us their country use a single pension dashboard so participants can recognize the dashboard as the authoritative and independent resource for providing reliable information about their workplace retirement plan savings.[32] Pension dashboards are operated and governed by the government (in the case of Australia) or by a separate independent organization with cooperation

[31] The Belgium pensions regulator told us that plan participants are also prompted to verify whether all of their workplace retirement plans are included on the pension dashboard.

[32] According to the Swedish pensions regulator, Sweden's pension dashboard is also available through an application programming interface on the Swedish Pension Agency's website and Sweden's National Government Employee Pensions Board's website, with plans to make the resource available on other websites in the future, such as those of pension providers and banks. Similarly, Belgium's pension dashboard operator told us they have plans underway to expand individuals' access to the same information available on the pension dashboard through other websites, such as those offered by pension providers, labor unions, or financial services companies.

from stakeholders, including industry plan providers, government agencies, and social partners (see table 8). For example, the Dutch and Swedish pension dashboards are each operated and governed as a public-private partnership organized as a non-profit organization. Dutch experts told us their dashboard being operated as a public-private non-profit organization demonstrates to participants the impartiality of the information it provides, which they said enhances its credibility and increases its users.

Table 8: Characteristics of Selected Countries' Pension Dashboard

	Australia	Belgium	Denmark	Netherlands	Norway	Sweden
Establishment	By law	By law	Private	By law	Industry	Industry and government
Initial Launch Year	2012[a]	2010	1999	2011	2008[e]	2004
Operations	Government	Private non-profit[b]	Private	Public / private partnership	Private[e]	Public / Private partnership
Governance	Government	Public	Private[c]	Public / Private partnershipd	Private[e]	Public / Private partnership
Funding	Government	Government	Private	Private[d]	Private	Public / Private[f]
Sources of Retirement savings information available	Workplace plans	Workplace plans and government pension	Workplace plans, government pension, and private savings	Workplace plans and government pension	Workplace plans, government pension, and private savings	Workplace plans, government pension, and private savings

Source: GAO interviews with experts from selected countries and written materials experts provided. | GAO-24-103577

[a]Australia's pension dashboard is part of a broader government website called "myGov" that allows Australians to access an array of government services in a centralized portal, such as filing their taxes or obtaining information about their national healthcare system benefits. According to the Australian Taxation Office, the Australian pension dashboard was first launched in 2012 in a previous platform than the one currently in place. The launch of the current pension dashboard platform occurred in 2013.

[b]Belgium experts told us their federal pension service (a government agency) manages the database that underlies the government pension (i.e., pillar 1) portion of their country's dashboard in cooperation with a separate private non-profit organization that manages the workplace retirement plan portion (i.e., pillar 2) and overall functionalities of the pension dashboard. The Belgium pension dashboard operator told us they are legally obligated to collaborate with stakeholders on the pension dashboard and its underlying data. The Belgian pension dashboard first launched in 2010 and workplace retirement plan information was included in 2016.

[c]Denmark's pension dashboard is governed by a private association of industry plan providers and banks, with government agencies participation at Board of Directors' meetings.

[d]According to the Dutch pensions regulator, the Netherlands' pension dashboard governance is subject to supervision by government regulators. Currently, funding for the dashboard is largely private with some government subsidies, though government funding was important during the start-up phase.

[e]According to Norway's pension dashboard operator, their pension dashboard is a private sector initiative led by the largest life insurance companies in the country, which formed a private non-profit company, Norsk Pensjon, in 2006 to operate the dashboard, which began providing retirement plan information to participants in 2008. Norsk Pensjon cooperates with the government to provide

government pension (i.e., pillar 1) information on the pension dashboard and has an advisory board where government and other social partners are represented.

[f]The Swedish pension dashboard operator told us the first version of their dashboard was financed by the government.

Experts across five of our six selected countries told us they intentionally developed their pension dashboard to be purely informational and free of commercial marketing. This was done to build participant trust that they are not being sold any products or services and encourage them to use the informational resource as intended. To help maintain the dashboard as an informational resource, three of the six countries have generally not allowed transactional capabilities on their pension dashboard. For example, participants cannot make changes to investments or transfer assets between accounts.[33]

Experts in each country told us that a pension dashboard requires universal or near-universal participation from plan providers to be a useful resource for participants to track their plan savings. To help ensure the success of their pension dashboard initiative, experts from Belgium and the Netherlands told us their countries legally require workplace retirement plan providers to participate in the initiative and provide standardized data to the pension dashboard operator.[34] In the case of the Netherlands, plan providers were also required to financially contribute to the pension dashboard initiative.

In contrast to mandated plan provider participation, experts from Denmark, Norway, and Sweden told us their countries relied on a voluntary approach to plan provider participation in their pension dashboards because voluntary participation allowed industry stakeholders greater input in shaping the overall initiative. However, Danish and Swedish experts said that their respective governments would have legally-required plan provider participation if the industry had not moved forward with a voluntary approach.

Industry organizations representing workplace retirement plan providers in Denmark, Norway and Sweden were the entities that led their country's

[33] The Belgium pension dashboard operator told us, in most cases, workplace retirement plan participants in Belgium are not currently allowed to choose their own plan investments.

[34] According to the Australian Taxation Office (ATO), the Australian pension dashboard displays standardized data that plan providers were already required by law to report to the ATO and that plan providers were not required to provide additional data solely for the dashboard initiative.

voluntary initiative to work with stakeholders to develop their dashboard and get plan providers to participate. For example, Norwegian experts told us the retirement provider industry wanted participants to have more comprehensive information about their workplace retirement accounts as workers were accumulating multiple accounts during their careers. In addition, while Norway's pension dashboard relies on legal requirements for standardized information that plan providers must provide to their participants, operation of their pension dashboard for workplace retirement plans is not a regulated activity so the government is not involved.[35] Even though Denmark, Norway, and Sweden relied on voluntary plan provider participation in their pension dashboard, their respective dashboards have over time been able to achieve near-universal plan coverage.

To facilitate participants' ability to securely access their retirement savings information across providers on their pension dashboard, selected countries use different data models, such as data centralization or live access:

- Experts in Australia and Belgium said their countries use a "data centralization" model where retirement plan data is stored in a central database underlying the dashboard. Plan providers are required to periodically update the data they provide to the dashboard. Participants who login to the dashboard can promptly view their data as of the most recent update to the database.[36]
- In contrast, experts in Denmark, the Netherlands, Norway, and Sweden told us their countries use a "live access" model whereby the pension dashboard digital information infrastructure sends a request to plan providers for a participant's workplace retirement plan data when the participant logs in to the pension dashboard. Participants are generally able to view the most recent information available from their providers but may need to wait slightly longer to see the data displayed on the dashboard because of the extra step to retrieve the

[35] Norway's pension dashboard operator told us they cooperate with the government to provide government pension (i.e., pillar 1) information on the pension dashboard and have an advisory board where government and other social partners are represented.

[36] Australian Taxation Office officials told us the frequency of required updates varies based on the data type and can range from 5 business days to 10 business days, quarterly, bi-annually, or annually.

data from plan providers.[37] Plan data is not stored on the pension dashboard that uses a live access model. Data is deleted when the participant ends their session and logs off the website.[38]

Consolidating Workplace Retirement Account Savings on a Pension Dashboard

One Australian expert noted that before the consolidation tool was implemented on their dashboard, plan providers had little incentive to consolidate participant savings because transferring assets to another provider would reduce their assets under management and fee revenue.

Source: interview with Australian expert | GAO-24-103577

Australian experts told us that their dashboard helps participants consolidate multiple accounts, further supporting participants' ability to manage their savings and prevent balance erosion due to fees assessed on inactive accounts from prior jobs. Participants with multiple accounts who sign into their pension dashboard will receive a prompt suggesting that they consider consolidating their accounts. They can then determine what accounts to consolidate by clicking a button that triggers a funds transfer that is free-of-charge and completed generally within 3 days, as legally required, according to Australian Taxation Office officials.[39] According to one Australian expert, Australia recently added the consolidation feature to its pension dashboard to simplify the previously complex and lengthy manual rollover process for participants, which

[37] Denmark's pension dashboard operator told us that it takes less than 10 seconds on average for pension providers to send data to the pension dashboard to display to the user. Similarly, one Dutch expert told us it takes only a few seconds on their pension dashboard. According to the Swedish pensions regulator, the vast majority of plan providers' data are available for the participant to view within 10 minutes after the participant first registers with the pension dashboard and some providers' data are available within seconds of a participant's initial registration.

[38] Sweden's pension dashboard operator told us they employ a hybrid solution for active users of the dashboard whereby the dashboard stores and regularly updates data for participants that have used the dashboard within the last 24 months in order to provide those users with a better experience accessing their savings information.

[39] In addition, Australian experts told us their pension dashboard will also alert participants with multiple accounts if any of their accounts has insurance (i.e., life or disability) coverage attached to it which could be forfeited if they consolidate balances from those accounts with another account. However, the dashboard does not provide additional information about any of the insurance policies. Experts said the dashboard's alert about insurance prompts participants to further consider before deciding whether to consolidate their savings.

involved submitting paper forms and speaking with individual plan providers. Australian Taxation Office officials said from 2017 to 2020, participants used the Australian pension dashboard to consolidate 2.3 million accounts worth over $17.4 billion AUD (about $11.3 billion USD).[40]

Managing Workplace Retirement Savings and Planning for Retirement Using a Pension Dashboard

Participants' ability to obtain a comprehensive overview across multiple sources of retirement savings on their pension dashboard can help them understand their retirement readiness and plan for retirement, according to experts in five of our selected countries. Experts from Belgium, Denmark, the Netherlands, Norway, and Sweden told us workers in their respective countries can view their government pension benefits alongside their workplace retirement plans on their pension dashboard.[41] Additionally, in Denmark, Norway, and Sweden, participants can also see information about their individual private retirement savings (unrelated to workplace retirement savings), on their pension dashboard.

Having government pension and workplace retirement savings information displayed together on the pension dashboard can help plan participants see an estimate of their total retirement income and possibly coordinate when they claim their government pension benefits and take withdrawals from their workplace retirement accounts.[42] Similarly, self-employed workers or others who may not have access to workplace retirement plans can benefit from seeing their individual private retirement savings on the dashboard alongside their government pension to help them plan for retirement.

Pension dashboards also present retirement plan information in layers so participants can quickly find the most relevant information they need to

[40] According to the ATO, there were 20.9 million workplace retirement accounts in the Australian system as of June 2022.

[41] Australian experts told us their government pension is administered by a separate agency from their taxation office, which runs the dashboard, and that there are no plans to include that government pension information on the pension dashboard.

[42] In Belgium, a worker that becomes eligible for retirement and claims their government pension will automatically trigger the payout of their workplace retirement plan savings. In the Netherlands, workers cannot choose when to begin receiving their government pension; the retirement age for government pensions is standardized.

manage their savings and plan for retirement.[43] According to countries' experts, participants who log in will see simpler, summary information in the first layer, and can navigate to other layers that contain more complex or detailed account information.

- The first layer generally includes summary information about the participant's retirement savings across the multiple sources of savings available on the dashboard (see fig. 4).
- The second layer typically presents an overview of each source of savings and how it breaks down by the individual plan, provider or account that the individual has accrued during their career.
- The third and any additional layers typically consist of more detailed individual plan-level information, which can include fees, provider contacts, plan documents, applicable life or disability insurance coverage, or survivor's benefits, among other data.

Figure 4: Sweden's Pension Dashboard Includes Summary Information from Multiple Sources of Retirement Savings

Source: Sweden's pension dashboard operator, minPension. | GAO-24-103577

Accessible Text for Figure 4: Sweden's Pension Dashboard Includes Summary Information from Multiple Sources of Retirement Savings

Screenshot of Sweden's pension dashboard displaying:

[43] The type, level of detail, and layering of retirement plan information available to participants across each country's pension dashboard can differ.

- Total pension amount
- Value of first pillar pension
- Value of second pillar pension
- Value of third pillar pension

Source: Sweden's pension dashboard operator, minPension. | GAO-24-103577

Note: Sweden's pension dashboard shows participants a summary of their total retirement savings and its composition across the three pillars of retirement savings. The first pillar refers to a country's government pension. The second pillar refers to workplace retirement plan savings. The third pillar refers to private retirement savings that are not affiliated with a worker's employment.

Experts from Belgium, Denmark, the Netherlands, and Sweden told us a pension dashboard should provide the most relevant information to participants upfront, such as how much income they can expect to receive when they retire.[44] For example, one Dutch expert said their country's dashboard recently began showing participants one consolidated monthly retirement income figure on their dashboard's landing page. This expert said this is intended to make it easy for participants to quickly understand their retirement readiness because it is unrealistic to expect individuals to calculate the totals themselves.

Experts from Belgium, Denmark, the Netherlands, and Sweden told us the layering and design features of their pension dashboards are the result of multiple iterations of improvements over the years in response to continuous user testing and feedback surveys.[45] For example, Danish experts told us their pension dashboard, which has been in place since 2015, represents the fifth iteration of their pension dashboard following the initial launch in 1999 and that another updated version will be launched by the end of 2023. They said the first version of their pension dashboard displayed a lot of text and information that was difficult for uninformed participants to understand. The Danish experts explained that

[44] Allowable retirement ages can differ across our selected countries.

[45] According to Belgium's pensions regulator, the information layering on the Belgium pension dashboard is also the result of legal requirements that prescribe a framework for how information must be presented to participants on the dashboard. They noted, however, that while new requirements that will become effective in the coming years will move away from the existing prescriptive framework, information layering on the dashboard will likely continue to be in place.

they have had to learn, over time through user testing, how to provide participants with information that is easily understood.

Pension dashboards also provide an array of tools and information to help participants manage their savings and plan for retirement.[46] For example, experts from Denmark, Sweden, and Norway told us their countries' pension dashboards include additional features, such as:

- standardized retirement income projection tools to help participants understand the total income they may receive from multiple sources across a range of allowed retirement ages (see fig. 5);
- information on the available payout methods (e.g., annuity, periodic withdrawals, lump sum, etc.) for each plan; and,
- modeling the potential effects of different scenarios on a participant's retirement income, including economic variables such as inflation or market investment returns, or personal variables, such as changing jobs, getting married, having children, experiencing disability or critical illness, or dying.[47]

[46] The type of tools and information available to participants across each country's pension dashboard can differ.

[47] The Belgian pension dashboard operator told us a new law passed at the end of 2022 will require the dashboard to present three different retirement projection scenarios (i.e., realistic, worst-case, and optimistic) to plan participants starting in 2024.

Figure 5: Denmark's Pension Dashboard Shows Participants Their Total Projected Retirement Income in Danish Krone across a Range of Allowable Retirement Ages

Source: Denmark's pension dashboard operator, PensionsInfo. | GAO-24-103577

Accessible Text for Figure 5: Denmark's Pension Dashboard Shows Participants Their Total Projected Retirement Income in Danish Krone across a Range of Allowable Retirement Ages

Screenshot of Denmark's pension dashboard displaying "Here are your payouts if you retire at 67":

- once and for all
- annually over a number of years
- annually as long as you live

state pension. The dashboard also displays the following options the user can select:

- Compare with your present salary/wage

- Contact your pension provider or bank for more advice
- Your pensions may lose purchasing power. See what that means

Source: Denmark's pension dashboard operator, PensionsInfo. | GAO-24-103577

Note: Denmark's pension dashboard shows participants their total projected retirement income in Danish Krone (DKK) across a range of allowable retirement ages. Retirement plans can have different payout options. Denmark's pension dashboard shows total projected retirement income based on plans' payout options. "Once and for all" refers to a lump sum payment, "Annually – over a number of years" refers to annuity payments made over a fixed number of years, and "Annually – as long as you live" refers to annuity payments made until the participant is deceased. "State pension" refers to the government pension benefit.

To assist married households with retirement planning, Danish experts told us the country's pension dashboard allows a participant to link information with a spouse's information so the couple can see their combined household information and better plan for retirement.

Source: interviews with Danish experts | GAO-24-103577

To facilitate participants' ability to obtain financial advice or loans, Danish, Dutch, and Norwegian experts told us participants can export their pension dashboard data in a standard electronic format to financial advisors or banks. By receiving comprehensive and standardized information about a participant's retirement income, such advisors and banks can better advise their clients and assess their credit worthiness, for example, to obtain a mortgage or other loan. For participants approaching retirement, Swedish experts told us their dashboard recently added a withdrawal planner tool that can project a participant's after-tax retirement income, provide a list of suggested action items to consider, and allow participants to initiate the retirement distribution process using an integrated pension providers' application.[48] Experts also told us that because many workers access disability and life insurance through their workplace retirement plans, their countries' pension dashboards allow participants to see information about their policies, though the level of detail available varied across our selected countries.

Using Automated Approaches and Standardized Rollovers for Consolidating and Managing Multiple Workplace Retirement Accounts

All six selected countries automate approaches or standardize processes to increase the likelihood that participants will consolidate savings when

[48] The Swedish pensions regulator told us the current withdrawal planning tool allows participants to execute withdrawals of their savings with one plan provider with plans to expand the option to the Swedish Pension Agency and other plan providers in 2023.

they change jobs (see table 9). Experts from the selected countries said automated approaches:

(1) help participants consolidate their savings after they change employers,

(2) reduce or eliminate the administrative burden on participants to consolidate their savings,

(3) reduce the potential for participants to experience the adverse effects of having multiple accounts,

(4) help those who are unengaged or lack the ability or time to make decisions, and

(5) are implemented at no cost to participants.

Without these automatic approaches, participants with multiple accounts—particularly small inactive accounts—are likely to have their savings eroded by plan fees which adversely affects their retirement security. Participants who are actively engaged with their retirement savings can opt-out of some of the automated approaches, according to experts. Such participants can instead choose to consolidate their accounts by voluntarily rolling over their savings by following a standardized process.

Table 9: Selected Countries' Approaches To Help Participants Consolidate Their Workplace Retirement Savings

Approach	Description	Participant action required to consolidate savings	Countries
Default Central Consolidator for small inactive accounts	A participant's savings in inactive workplace retirement accounts (from former employers) meeting certain criteria (e.g., inactive period, account value, etc.) are transferred to a government agency that guarantees the savings will not be reduced by fees until it is claimed by or distributed to the account holder or automatically consolidated with an eligible active account belonging to the account holder.	No	Australia
Lifetime Plan Provider for Unengaged Participants	Workers who do not select a plan provider can be attached or "stapled" to an existing or new account for their career (even if they change jobs) to which retirement savings contributions are directed, unless they elect to change plan providers.	No	Australia
Automatic Plan-to-Plan Consolidation	A participant's workplace retirement plan savings can be automatically transferred to their new employer's plan when they change jobs without them having to take any action.	No	Norway[a], and the Netherlands[b]

Approach	Description	Participant action required to consolidate savings	Countries
Industry / Sector-wide Plan Consolidation	Workplace retirement plans covering multiple employers in the same industry or sector that allow workers who change employers covered under the same plan agreement to remain in the same account and thereby maintain consolidated retirement savings.	No	Belgium, Denmark, the Netherlands, and Sweden[c]
Standardized Plan-to-Plan Rollovers	Standardized processes for participants to efficiently roll over and consolidate their workplace retirement plans if they choose to do so.	Yes	Australia, Belgium, Denmark, the Netherlands, and Norway

Source: GAO interviews with experts from selected countries and analysis of written materials they provided. | GAO-24-103577

[a]According to Norwegian experts, participants in Norway can opt-out of the automatic plan-to-plan consolidation within three months of being notified of the impending transaction by making an election on the pension dashboard. Participants who want to expedite the consolidation of their accounts can initiate the process before the end of the 3 month period.

[b]According to Dutch experts, plan providers in the Netherlands can automatically transfer separated participants' workplace retirement plans valued under 594.89 Euros to the participants' current active plan without their consent and that participants cannot opt-out. The maximum value of plans eligible for an automatic transfer is adjusted each year. The value for 2023 is 594.89 Euros.

[c]According to Sweden's pensions regulator, about 90 percent of employees in Sweden are covered by an industry or sector-wide plan, known as collective agreements, and they can accrue multiple accounts under the same agreement. They told us that recent legal changes allow participants to consolidate multiple accounts within the same collective agreement if they choose, but is not done automatically because participants may choose to have multiple plan providers. Participants may need to pay fees if they choose to transfer their plan savings from one provider to another within the same collective agreement.

Default Central Consolidator for Small Inactive Accounts

Australian Taxation Office officials said that since their office began proactively consolidating accounts in November 2019 through the end of 2022, they have reunited just under 4.7 million accounts valued at $7.11 billion AUD (about $4.61 billion USD).

Source: Australian Taxation Office. | GAO-24-103577

To reduce the number of small inactive workplace retirement accounts, Australian experts told us the Australian Taxation Office (ATO) serves as a default central consolidator that can proactively consolidate small inactive and other participant accounts. According to ATO officials, plan providers are required to transfer savings from small inactive accounts to the ATO twice a year, where the savings are held until either: (1) the participant claims their account by requesting the savings be transferred to another eligible account, (2) the ATO automatically consolidates the account savings into an eligible active account identified for the participant, or (3) the participant is eligible for and receives a distribution of their savings.[49]

According to the ATO officials, account savings transferred to the ATO are not assessed transfer or maintenance fees. These account savings also earn interest based on a consumer price index that is paid when the savings are transferred back to the participant or to another plan held by the participant. Australia requires plan providers to promptly report plan data and other activities, such as when accounts are opened or closed, to the ATO electronically through a common data infrastructure. ATO uses this information to determine if a participant for whom it holds savings has an eligible active account to which it can proactively consolidate those savings.[50] In this way, participants are reunited with their small inactive account savings through automatic consolidation with their current active account savings where it has a better opportunity to grow.

Australian experts told us that before 2019, the ATO could only reunify a participant with their inactive account savings when the participant (or a plan provider acting on behalf of and with the consent of the participant) voluntarily took action to claim it from the ATO by requesting a transfer to

[49] Generally, a small inactive account has a balance of less than $6,000 AUD and has not received contributions or experienced account activity within the last 16 months.

[50] In addition, according to the ATO, pension providers are able to request updated contact information on their participants from the ATO so that they can stay in contact, reducing the amount of savings that are ultimately transferred to the default central consolidator.

another eligible active account. However, unengaged participants did not claim their savings even though the ATO database showed that many of these participants had active accounts to which their inactive account savings could be consolidated. Experts noted that, at the time, the ATO was receiving transferred savings from inactive accounts but lacked the authority to automatically consolidate the inactive accounts to eligible active accounts. They told us that, as a consequence, the Australian government granted ATO authority to automatically consolidate accounts, which significantly increased the amount of savings reunited with participants.

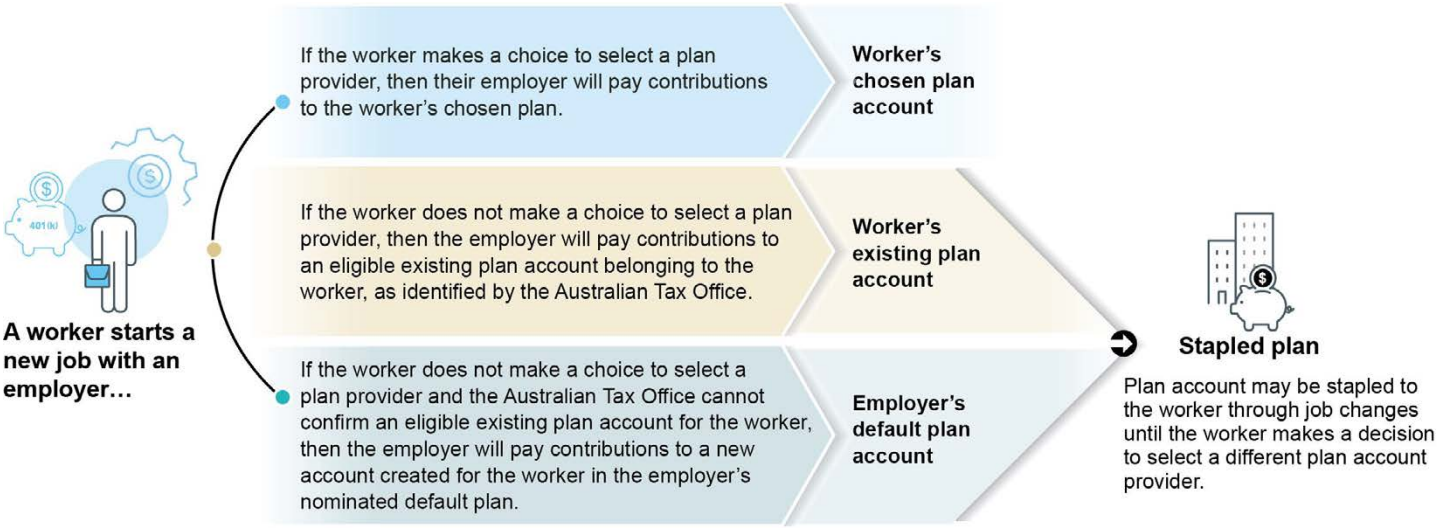
Experts said that, prior to granting this authority, Australia allowed pension providers to transfer small inactive accounts of "lost" participants to designated privately operated plans, called Eligible Rollover Funds, that were intended to help reunite participants with their savings. However, experts told us that because Eligible Rollover Funds lacked requirements and incentives to reconnect participants with their savings, only a fraction of accounts were reunited. Thus, Australia closed Eligible Rollover Funds in 2022, and required the remaining funds to be transferred to ATO for reunification under the current policy, according to experts.

Lifetime Plan Provider for Unengaged Participants

To reduce the number of unintended multiple accounts created when workplace retirement plan participants change jobs and do not choose a plan provider, the Australian government began implementing a new plan account "stapling" policy in November 2021. This stapling policy can attach unengaged participants to one plan account for their career, according to ATO officials (see fig. 6).[51]

[51] In Australia, employers are required by law to make minimum retirement plan contributions for all eligible employees, according to ATO officials. Each time they start new employment, most employees are eligible to choose their plan provider to which their employer pays their workplace retirement plan contributions.

Figure 6: Australia's Stapling Policy Can Attach Participants Who Do Not Select a Plan Provider to One Account for Their Career



Source: GAO interviews with Australian experts and analysis of written materials they provided. GAO (icons). | GAO-24-103577

Accessible Text for Figure 6: Australia's Stapling Policy Can Attach Participants Who Do Not Select a Plan Provider to One Account for Their Career

A worker starts a new job with an employer

- If the worker makes a choice to select a plan provider, then their employer will pay contributions to the worker's chosen plan.
    - Worker's chosen plan account
- If the worker does not make a choice to select a plan provider, then the employer will pay contributions to an eligible existing plan account belonging to the worker, as identified by the Australian Tax Office.
    - Worker's existing plan account
        - Stapled plan: Plan account may be stapled to the worker through job changes until the worker makes a decision to select a different plan account provider.
- If the worker does not make a choice to select a plan provider and the Australian Tax Office cannot confirm an eligible existing plan

account for the worker, then the employer will pay contributions to a new account created for the worker in the employer's nominated default plan.

- Employer's default plan account
  - Stapled plan: Plan account may be stapled to the worker through job changes until the worker makes a decision to select a different plan account provider.

Source: GAO interviews with Australian experts and analysis of written materials they provided. GAO (icons). | GAO-24-103577

Under the stapling policy, employers use an ATO database to first request information about any existing accounts a new employee holds from prior employment. If the ATO returns existing account information, the employer attaches or "staples" that existing account to the employee (without any action required from the employee). The employer will pay plan contributions into this account, which becomes the employee's "stapled" plan account.[52] As long as employees have an existing eligible account to which they can be stapled, their new employer will not create a new account for them (in the employer's nominated default plan) if the employee does not choose their own plan provider. If an employee does not choose their own plan provider and does not have an existing plan account to which they can be stapled (such as if they are new to the workforce), then the employer will automatically create a new account in its nominated default plan.[53] The employer will pay contributions for the

[52] For employees with multiple existing accounts from prior employers, ATO officials indicated that they determine which account becomes the "stapled" account based on a criteria which considers: (1) whether the ATO has previously identified an account as a "stapled" account in either the current or immediately prior financial year, (2) which account has received the most recent contributions, (3) which account has the largest account balance, and (4) which account was most recently created.

[53] Employers will typically select from among a number of government-approved "MySuper" products, which are investments that meet the rules and standards to be used for defaulting participants who do not have an existing stapled account and make no investment elections. MySuper products are basic low-fee investments designed to be transparent and comparable and help ensure that unengaged participant's workplace retirement plan savings are invested in quality products that produce strong returns. Experts told us the government conducts regular performance testing of MySuper products, and those that underperform for two consecutive years can be prohibited from accepting new contributions and subject to other regulatory actions.

employee to that new account, which becomes the employee's stapled account.

Before the stapling policy was implemented, employers had to automatically create a new account in their nominated default plan for new employees each time new employees did not make a decision to choose a plan provider, according to ATO officials. Because many workers are unengaged with their workplace retirement savings and made no choice to select a plan provider, employers created new accounts for these workers. This led to workers continuing to accrue multiple accounts as they changed employers and having their savings eroded by multiple sets of plan provider fees.

Australian experts stated that the stapling policy was established specifically to help unengaged participants save for retirement by preventing the creation of multiple retirement accounts, which can be eroded by fees, and ensure that a participant's stapled account receives the most contributions to grow savings and obtain the best retirement outcomes.

Source: interview with Australian experts. | GAO-24-103577

Australian Taxation Office officials told us that since the stapling policy was introduced, several hundred thousand employees have been allocated a stapled account, which has prevented the creation of new accounts on their behalf and saved these employees from paying multiple sets of account fees. Experts said participants do not incur any fees for being stapled to an existing or new account and can change their stapled account by selecting another plan account provider, which need not be affiliated with their current employer.[54] Under the stapling policy, plan participants who take no action to change their plan account will generally not accumulate additional accounts as they change jobs because they will automatically remain in the same "stapled" account throughout their career and continue to receive contributions in this account.

[54] Australia's pension dashboard also has a YourSuper Comparison Tool that allows participants to see and compare their account investment product with all the government-approved MySuper products available in the marketplace based on investment returns, risk levels, fees, and whether any of the MySupers have been designated by the government as underperforming. Experts said the goal of the YourSuper Comparison Tool is to make it easier for participants to make good active decisions about their workplace retirement savings because they can select their own account investment product.

Automatic Plan-to-Plan Consolidation

To help participants consolidate their plan savings as they change jobs, experts in Norway and the Netherlands told us their respective countries use automatic plan-to-plan consolidation.

In Norway, the financial industry paid for and established an electronic administrative hub to facilitate account consolidation under the government's Own Pension Account policy. The transfers are automatically conducted directly between pension providers using the industry-owned and operated system.

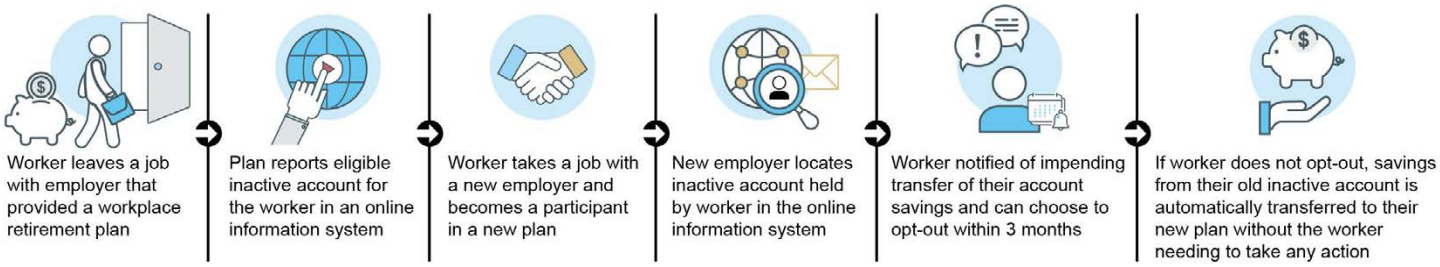
Source: interviews with Norwegian experts | GAO-24-103577

Norwegian experts told us that in January 2021, the Norwegian government began implementing its "Own Pension Account" policy that required pension providers to automatically transfer participants' workplace retirement account savings from their former employer's plan to their current employer's plan (the participant's "Own" account), unless the participant opts out of the consolidation (see fig. 7).[55] For example, a participant with three existing inactive accounts from prior jobs would have those savings automatically transferred and consolidated with the participant's Own account with their current employer. If the participant changes jobs in the future, their consolidated Own account savings automatically transfers to their account with their new employer. A participant who takes no action will automatically maintain consolidated savings and does not incur fees with the automatic transfers. The Own Pension Account policy applies to all existing inactive accounts and future accounts in private sector defined contribution plans.[56]

[55] According to Norway's pensions regulator, participants who do not want their accounts to be automatically consolidated after a job change must opt-out within three months of being notified of the impending transaction by making an election on the pension dashboard. Participants who want to expedite the consolidation of their accounts can initiate the process before the end of the 3 month period. Norway's pensions regulator told us some workplace retirement accounts in Norway have guaranteed returns that could be lost if the participant were to consolidate the account with a different plan.

[56] According to Norway's pensions regulator, defined contribution plans are the most common type of private sector workplace retirement plan in Norway, covering more than 90 percent of workers in the private sector.

Figure 7: Norway's Automatic Plan-to-Plan Rollovers Can Consolidate Workers' Account Savings after Job Changes



Source: GAO interviews with Norwegian experts and analysis of written materials they provided. GAO (icons). | GAO-24-103577

Accessible Text for Figure 7: Norway's Automatic Plan-to-Plan Rollovers Can Consolidate Workers' Account Savings after Job Changes

- Worker leaves a job with employer that provided a workplace retirement plan
- Plan reports eligible inactive account for the worker in an online information system
- Worker takes a job with a new employer and becomes a participant in a new plan
- New employer locates inactive account held by worker in the online information system
- Worker notified of impending transfer of their account savings and can choose to opt-out within 3 months
- If worker does not opt-out, savings from their old inactive account is automatically transferred to their new plan without the worker needing to take any action

Source: GAO interviews with Norwegian experts and analysis of written materials they provided. GAO (icons). | GAO-24-103577

According to Norwegian experts, the Norwegian government implemented the policy to reduce the number of small workplace retirement accounts that were achieving low or zero returns for participants after fees. This can occur, in part, because fees on inactive accounts held by participants are normally higher than fees on active accounts. Under the Own Pension Account policy, participants use the pension dashboard and compare plan features, such as fees, to determine whether to leave their savings in their former plan or allow the automatic consolidation of their savings into their new plan. Experts told

us the fee structure for plans in Norway favors participants that consolidate their savings after changing jobs because plan administration fees for transferred savings are paid by the new employer.[57] However, if a participant leaves their savings with their former employer, then the participant would be responsible for paying fees on their inactive account savings.

At the time the policy was proposed in 2018, the automatic plan consolidation policy was expected to result in about 800 million NOK (about $75 million USD) in annual savings on plan fees that would otherwise have been paid to plan providers.

Source: interview with Norwegian experts | GAO-24-103577

Only 3 to 5 percent of participants have opted-out of the Own Pensions Account policy since it was implemented, proving the policy to be successful in reducing the number of participants with multiple accounts through automatic consolidation, according to Norwegian experts. Participants who opt out can either: (1) enroll in a new account based on the plan selected by their new employer, or (2) select a plan provider unrelated to their employer, which they can keep even as they change jobs. Participants who opt out may also later change their plan provider if they choose. Both opt-out scenarios could result in a participant accumulating multiple workplace accounts, unless the participant is new to the workforce and has no other workplace accounts. Norwegian experts told us the few participants who opted out were higher salaried workers who are engaged with their retirement savings and were more involved in their plan selection and investments.

Although the Own Pension Account policy is new, experts said they do not expect a significant increase in participants opting out and choosing their own pension provider. Before the Own Pensions Account policy was introduced, participants had a right to consolidate their inactive accounts to reduce administration fees paid from their savings. However, very few participants actively chose to consolidate their savings, which

[57] Experts told us there are usually two fees for private sector defined contribution plans in Norway—the administration fee and pension management fee. The administration fee is the cost that the plan provider charges to provide the plan to its client, typically an employer. The pension management fee covers the cost for providers to manage the investments available in the plan. Employers pay both fees for their current employees' plan account savings. Participants are responsible for paying both fees if they leave their savings in the plan after they separate from their employer. Participants who transfer their savings to their new employer will continue to be responsible for the pension management fee incurred for their transferred savings in their new plan while their new employer will pay for the administration and management fees for new savings accrued.

demonstrated that most participants have little interest to engage with their retirement savings. The Norwegian government determined that automatic account consolidation combined with required participant disclosures would be appropriate because the policy would be an efficient way to consolidate accounts and be beneficial for most participants.

The Netherlands also recently implemented a policy that allows plan providers to automatically transfer separated participants' workplace retirement plans valued under about 595 Euros (about $630 USD) to the participants' current active plan, without participants' consent.[58] Experts told us the Dutch government decided to allow automatic plan transfers without participants' affirmative consent because consolidating small-value plans is generally in the participants' best interest.[59]

Pension providers use a database underlying the pension dashboard to identify a participant's active plan to which the value of a small inactive plan can be automatically consolidated without any participant action. Under this policy, participants with eligible plans cannot opt-out of the transfer. However, those who accumulate small-value plans when they leave a job are more likely to have their retirement savings consolidated with their active plan, which occurs at no cost to the participant. One Dutch expert told us that allowing providers to automatically transfer small-value plans is helpful because most participants would either delay doing so themselves or are unable to make informed decisions to voluntarily initiate the consolidation process.[60]

[58] Plans in the Netherlands are primarily defined benefit plans and are shifting to account-based defined contribution plans, according to experts. Therefore, transfers of participants' defined benefit plans are based on the value of the accrued benefit as opposed to the value of the investments underlying the account. The maximum value of plans eligible for an automatic transfer is adjusted each year. According to the Dutch pensions regulator, the maximum value for 2023 is 594.89 Euros.

[59] One Dutch expert noted that there can be limited situations where it is more favorable for participants to maintain multiple plans, such as if their inactive plan from a former employer has higher inflation-indexation of benefits than their new plan.

[60] Participants with plans valued at more than 594.89 Euros (for year 2023) have the right to transfer the value of their pensions to their current plan upon changing jobs or leave their plan with their former pension provider, which cannot be consolidated by plan providers without their consent. Dutch officials also told us that participants are generally no longer allowed to cash-out small-value plans because policymakers wanted to keep those savings in the retirement plan system, which the automatic consolidation policy helps to accomplish.

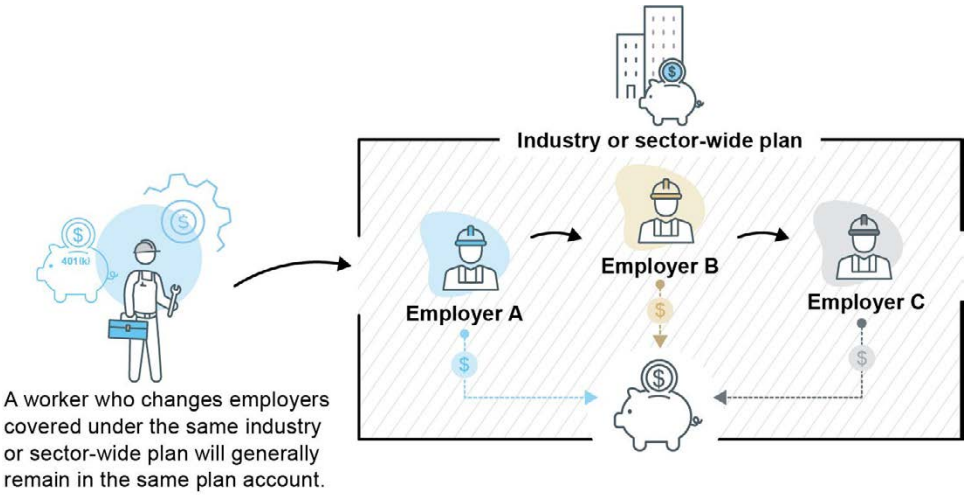
Dutch experts told us the automatic consolidation of small-value plans was implemented to reduce administrative costs for workplace plan providers because small-value plans are costly to maintain. Fees also often erode the value of inactive plans, to participants' detriment. According to one expert, about one-half of the five million small-value plans have been successfully consolidated because of the Netherlands' automatic plan consolidation policy. According to experts, the Dutch government plans to evaluate the effectiveness of their automatic consolidation policy and may consider further changes.

Industry / Sector-wide Plan Consolidation

Experts in Belgium, Denmark, the Netherlands, and Sweden told us that their countries have industry or sector-wide plans which can help job-changing workers maintain consolidated accounts. Workers' accounts are consolidated by re-enrolling them into their existing industry or sector-wide plan if their existing collective agreement plan covers both the former and new employer (see fig. 8). They told us that plans cover multiple employers and are negotiated collective agreements between social partners; namely unions and employer groups.[61]

[61] According to the Dutch pensions regulator, some employers in the Netherlands are obligated to be members of an industry or sector-wide plan, also known as collective agreements, which can be sponsored by an employer or an industry.

Figure 8: Industry and Sector-wide Plan Consolidation in Selected Countries Can Re-enroll Participants in Their Existing Industry or Sector-wide Plan When They Change Employers



Source: GAO interviews with experts from selected countries and analysis of written materials they provided. GAO (icons). | GAO-24-103577

Accessible Text for Figure 8: Industry and Sector-wide Plan Consolidation in Selected Countries Can Re-enroll Participants in Their Existing Industry or Sector-wide Plan When They Change Employers

A worker who changes employers covered under the same industry or sector-wide plan will generally remain in the same plan account. Contributes to industry or sector-wide plan. Employer A, Employer B, and Employer C also contribute to industry or sector-wide plan.

Source: GAO interviews with experts from selected countries and analysis of written materials they provided. GAO (icons). | GAO-24-103577

Note: Belgium, Denmark, the Netherlands, and Sweden have industry or sector-wide plans covering multiple employers that are negotiated agreements between social partners; namely, employer groups and unions.

According to experts from Belgium, Denmark, and the Netherlands, plans that cover entire industries generally allow participants who work within those industries for their entire career to maintain a single workplace retirement account without a plan consolidation process or transfer infrastructure. Consequently, the effectiveness of same plan consolidation in helping participants maintain consolidated savings grows as the number of employer and employees covered in the plan grows. Generally, the larger the industry plan, the more likely participants changing jobs will end up working for another employer covered by the same plan. In addition, experts noted that participants who stay within the network of industry employers covered under the same plan agreement

do not incur additional plan fees that can erode savings, because there are no fees for re-enrolling in the same plan.

Experts from Denmark and the Netherlands told us that while not required, plan providers generally choose to automatically maintain a single consolidated account for each participant that changes employers covered under the same plan, because maintaining a single account is more efficient and cost-effective than maintaining multiple smaller accounts.[62] In Belgium, plan providers are required by law to maintain a single consolidated account for each participant who changes jobs covered under the same industry or sector-wide plan, according to the Belgium pensions regulator.

Standardized Plan-to-Plan Consolidation Process

To facilitate plan-to-plan account savings consolidations, five of our six selected countries established standardized processes to simplify consolidations for participants, according to experts in selected countries and documentation they provided (see table 10). For example:

- According to Belgium's pensions regulator, the process in Belgium for transferring savings from one workplace retirement plan to another—including the information participants need to provide, deadlines for completing transactions, and required conditions—is regulated by law.[63]
- In Norway, plan providers voluntarily developed an electronic information infrastructure to manage a standardized process and meet requirements for transferring workplace retirement account

[62] According to Sweden's pensions regulator, about 90 percent of employees in Sweden are covered by an industry or sector-wide plan, known as collective agreements, and they can accrue multiple accounts under the same agreement. Recent legal changes allow participants to consolidate multiple accounts within the same collective agreement if they choose but is not done automatically because participants may choose to have multiple plan providers. Participants may need to pay fees if they choose to transfer their plan savings from one provider to another within the same collective agreement.

[63] According to Belgium's pensions regulator, it is more often favorable for plan participants in Belgium to maintain multiple accounts (rather than consolidate them) because it is common for accounts to have guaranteed returns or insurance benefits attached to workplace retirement plans that could be lost if a participant were to consolidate their savings with a different plan. Consequently, most plan participants in Belgium leave their savings in their former employer's plan after leaving their job, and plan-to-plan consolidations are the exception rather than the norm.

savings between plans.[64] Similar to the previously discussed approaches that automatically consolidate a participants' workplace retirement plan savings, a standardized voluntary rollover process can reduce the administrative burden on plan participants who choose to consolidate their savings.

Table 10: Characteristics of Selected Countries' Plan-to-Plan Savings Consolidation Process

	Australia	Belgium	Denmark	Netherlands	Norway	Sweden
Standard process	Yes	Yes	Yes	Yes	Yes	No[d]
Transfer time limit	3 days	30 days	One month	Yes[b]	One month	Three months
Party Responsible to implement consolidation	New and Old plan providers	Old plan provider	New plan provider	New plan provider	New plan provider	New plan provider
Electronic process	Yes	Can be	Yes, with exception[a]	Yes, after initial request	Yes[c]	Yes
Cost to plan participant	May incur entrance cost	No	Will incur exit cost[a]	No	May incur fees[c]	May incur fees[d]

Source: GAO interviews with country experts and written documentation they provided. | GAO-24-103577

[a]According to Denmark's pensions regulator, the majority of pension companies' processes are digitized and can allow participants to request a transfer electronically. However, some smaller companies may continue to rely on paper forms and require participants to use them to request a transfer. All pension providers will charge a fee for transferring savings to a new provider, but not all providers will charge a fee when the transfer takes place within the framework of the industry agreement upon a job change. The size of the fee is primarily determined by the market, but there are rules in place that allows the supervisory authorities to assess whether the fee is reasonably set in relation to the services participants receive.

[b]Dutch experts told us there are a series of steps involved in transferring the value of a pension to another plan and that there are legal time limits that apply to each of those steps to protect the rights of plan participants.

[c]According to Norway's pensions regulator, there are no rules regulating fees assessed when participants transfer their own pension account savings to a pension provider of their own choice. They indicated that plan providers are not prohibited from charging fees to participants to consolidate their account savings. Participants will have their plan savings consolidated electronically unless they request paper documents.

[d]According to Sweden's pensions regulator, employees can only transfer their savings from: (1) one plan provider to another within the same collective agreement that covers multiple employers or (2) an old plan from a prior employer that no longer receives contributions and is outside of the collective agreement to another plan provider. The transfer process is determined by each collective agreement and not by law. Typically, the transfer process within a collective agreement is standardized but the process can vary across different collective agreements. Participants may need to pay fees if they choose to transfer their plan savings from one provider to another within the same collective agreement.

According to experts, all six selected countries' requirements for plan-to-plan consolidations specify the old or new plan provider as the party responsible for facilitating and completing the transfers necessary to

[64] Norway's pensions regulator told us that participants who prefer paper communications can go on the pension dashboard and turn off electronic notifications.

consolidate plan savings, upon a participant's request. Further, plan participants in nearly all the selected countries can consolidate their plans electronically, which can help them avoid the administrative burden of printing, signing, and sending paper documents or checks. In addition, the pension industries in some countries have coordinated to standardize and simplify the voluntary rollover process for participants, in lieu of legal requirements. For example, Danish experts told us that the pension industry in Denmark established voluntary rollover standards, including the transfer system and transfer timeframes. Belgian experts told us that the Belgian pension industry established a voluntary rollover template that most providers use to standardize rollover documentation.

401(k) Participants in the U.S. Face Challenges Tracking and Consolidating Accounts and Understanding Distribution Options, but Federal Actions Could Help Mitigate These Issues

401(k) Participants Face Challenges Tracking and Consolidating Their Accounts, but Opportunities Exist to Help Mitigate These Issues

Based on responses from our generalizable national survey of 401(k) plan participants who were eligible to complete a plan-to-plan rollover during the prior 3 years, we estimate that about one-half of them completed a plan-to-plan rollover and about one-half made other choices

with their retirement savings.[65] Of the 401(k) plan participants who completed a plan-to-plan rollover, we estimate about 21 percent found the overall rollover process to be *somewhat or very challenging*. While the plan-to-plan rollover process can vary by plan, 401(k) participants typically need to interact separately with their old plan to withdrawal their savings and with their new plan to deposit those savings and complete the transaction.[66] Current federal law helps facilitate plan-to-plan rollovers, but it does not address some of the challenges plan participants reported in our generalizable national survey. Among other things, we found that participants would find a centralized tracking system for their multiple accounts and an automatic plan-to-plan rollover system helpful.

Participants Struggle to Track Their Retirement Accounts

In the U.S., no comprehensive central repository of information about 401(k) plans exists that participants can access to keep track of their savings across multiple accounts. After separating from their employer, 401(k) participants can consolidate their savings by completing a rollover to another 401(k) plan or to an IRA. We previously reported that consolidating account savings by completing a plan-to-plan rollover after each job change can make it easier for participants to keep track of and

[65] Our nationally-representative survey of 401(k) plans participants asked about their experiences managing their tax-deferred 401(k) plan retirement savings after leaving their employer, including their receipt of information from their plans or employers about their options, their understanding of their options, their decision-making with respect to what options they took; and thoughts about what could have helped them with the process. Our survey specifically excludes Roth 401(k) plans, 403(b) plans, and 457 plans. The survey also asked participants hypothetical questions about approaches to help them track, manage, and consolidate their plan savings. For participants who completed a plan-to-plan rollover, the survey questions also asked about their experience and impression with various aspects of the rollover process. We designed the survey questions which were administered by IPSOS Public Affairs (IPSOS) between February and July 2022. We analyzed survey responses for 1,043 participants (551 that completed a rollover and 492 that did not complete a rollover). Weighted estimates derived from these responses are generalizable to the population of 401(k) participants in the U.S. who were eligible to complete a rollover within the last 3 years. The weighted cumulative response rate was 3.8 percent. All estimates from the survey are subject to sampling error. Specifically, in terms of the margin of error at the 95 percent confidence level, the sampling error for estimates in this report is plus or minus 10 percentage points or lower, unless otherwise noted. See appendix II for more details on our survey methodology and appendix III for our survey instrument.

[66] In this report, the “old” plan refers to the plan from which a 401(k) participant could have or did withdraw their savings after they left their job, and the “new” plan refers to the plan to which a participant could have or did deposit their savings to complete a rollover after starting a new job.

manage their retirement savings.[67] However, completing the rollover process can be challenging for 401(k) participants.[68] For those who do not consolidate their savings, it can be challenging to keep track of multiple accounts. Challenges we identified to tracking multiple 401(k) accounts included:

- The inability to maintain contact with the old plan. Participants that change their contact information or mailing address after leaving a job may not know or remember to provide updated information to their old plan. Without receiving updated contact information, the old plan may consider these participants to be "missing" if they do not respond to communications.[69]
- Employer actions can also make it difficult for participants to locate their plan accounts.[70] Participants can lose track of their old plans from former employers if the employers change locations or names, merge with other companies, spin-off a division of the company, or go out-of-business. The information reported to federal agencies on these actions may not always result in a clear record or trail of employer or plan changes that participants could use to locate their old plans.[71]

Participants' ability to track their old plan accounts is important because, over the course of a 40-plus year career, workers may accumulate numerous 401(k) plan accounts. In 2020, BLS reported that wage and salary workers spent a median of about 4 years with their current employer. Based on BLS data, a worker who changes jobs every 4 years could potentially accumulate 10 or more retirement accounts during a 40-year career. Based on our survey, we estimate that among 401(k) participants who were eligible but did not complete a recent plan-to-plan rollover, about 55 percent left their savings in their old plan after leaving their job, and about 30 percent are *not too or at all likely* to try to complete a plan-to-plan rollover in the future. Participants who do not complete a

[67] GAO-15-73 and GAO-13-30.

[68] GAO-15-73.

[69] GAO-13-30.

[70] GAO-15-73.

[71] GAO-15-73

plan-to-plan rollover will likely need to manage multiple accounts on an on-going basis.

Indeed, we reported in our prior work that from 2004 to 2013, participants who separated from their jobs left more than 16 million accounts of $5,000 or less in their former employer's plan, with an estimated aggregate value of $8.5 billion.[72] During the same period, 25 million participants in workplace retirement plans (which are predominantly 401(k) plans) separated from an employer and left at least one account behind, and millions left two or more behind.[73]

Beginning in 2025, new 401(k) plans will be required to automatically enroll eligible workers.[74] As we previously reported, plans that adopt automatic enrollment can increase the number of workers participating in plans and saving for retirement.[75] However, it may also increase the number of accounts that are left behind and become lost because automatically-enrolled workers may be less likely to pay attention to an account that they did not choose to enroll in.[76]

Participants who lose track of their 401(k) accounts may find reconnecting with and claiming their plan savings difficult. Although DOL has benefit advisors available to help participants locate their lost 401(k) plans, we have previously reported that even with assistance from benefit advisors, participants still may be unable to locate all their retirement plan savings.[77] Moreover, while DOL, PBGC, and IRS collect information about plan savings, we previously reported that federal agency data are not designed to help participants keep track of multiple accounts or to find lost accounts.[78] In addition, although former employers and record

[72] GAO-15-73. SSA analysis of Form 8955-SSA data. SSA data include vested benefits in all defined contribution plans, not just those from 401(k) plans, as well as defined benefit plans.

[73] GAO-15-73. Social Security Administration analysis of Form 8955-SSA data from 2004 to 2013.

[74] SECURE 2.0 Act of 2022, Pub. L. No. 117-328, div. T, § 101, 136 Stat. 4459, 5275-77.

[75] GAO-15-73.

[76] GAO-15-73.

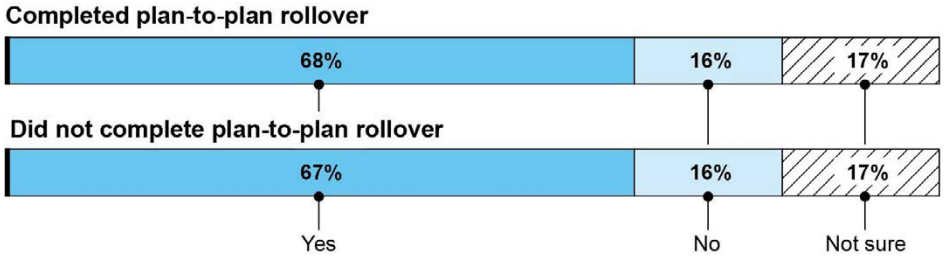
[77] GAO-15-73.

[78] GAO-15-73.

keepers have information participants may need to locate their accounts, participants must maintain contact with their former employer or identify their plan record keeper to obtain that information.

Our survey found that an estimated 67 percent of all 401(k) participants who were eligible to complete a recent plan-to-plan rollover would find a comprehensive pension dashboard—where they can see all of their current and old plan savings in one place—to be a useful resource. Specifically, about two-thirds of all eligible 401(k) participants—both those who did complete and those who were eligible but did not complete a recent plan-to-plan rollover—*would have wanted to have had access to a secure website (at no cost) that included information about all [their] 401(k) plans from their entire career* (see fig. 9).

Figure 9: GAO Estimates of Whether 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover Would Have Wanted Access to a Pension Dashboard



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 9: GAO Estimates of Whether 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover Would Have Wanted Access to a Pension Dashboard

	Yes	No	Not sure
Completed plan-to-plan rollover	68%	16%	17%
Did not complete plan-to-plan rollover	68%	16%	17%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: Respondents were asked: “Based on your experience with 401(k) plan rollovers, would you have wanted to have access to a secure website (at no cost to you) that included information about all your 401(k) plans from your entire career?” All percentage estimates from GAO’s nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower. Due to rounding, percentages do not always add up to 100 percent.

Currently, no single federal agency or group of agencies is responsible for developing or operating a pension dashboard to help participants in the U.S. track and manage their plan savings. Although ERISA grants DOL

broad authority to help protect plan participants' retirement savings, the agency has previously indicated it does not have the statutory authority to establish and provide funding for a pension dashboard.[79] In addition, DOL indicated that a pension dashboard useful to helping participants track and manage their savings would need: (1) a federal requirement that plan sponsors report retirement plan information to the agency maintaining the registry, (2) a single agency authorized to consolidate retirement account information that is currently spread across multiple agencies, and (3) adequate funding.

Policymakers have taken steps to help participants locate their lost accounts. The SECURE 2.0 Act, enacted in December 2022 directs DOL, in consultation with Treasury, to establish within 2 years a national searchable online database called the Retirement Savings Lost and Found.[80] The online database will allow participants to search for information to locate and contact the plan administrators of their lost accounts (including from 401(k) plans) from their prior employers to make a claim for their plan benefits.[81] To claim their savings from old plan accounts, participants will need to contact their plan administrators and verify their identity. Plan participants with multiple accounts held across different plan administrators may need to contact multiple plan administrators to claim their savings.

The Retirement Savings Lost and Found database may become a primary resource that can help resolve participants' current challenge of not having a centralized way to help locate their lost accounts. However, the database will not allow participants to track information about all their multiple accounts, often held across different providers, in a single place.

A pension dashboard could enable participants to locate all their 401(k) accounts in one place and at one time without having to update their contact information with each of their old plans from former employers. In addition, a pension dashboard would not require participants to contact their plan providers for basic information about their plans. It could provide participants information about their total amount of savings and the amount accrued in each account, as well as plan terms, such as fees,

[79] GAO-15-73.

[80] Pub. L. No. 117-328, div. T, § 303, 136 Stat. 4459, 5339-41.

[81] Under the IRC, qualified plans are required to provide participants the option to make a plan-to-plan rollover to eligible retirement plans; however, plans are not required to accept rollovers. 26 U.S.C. § 401(a)(31); 26 C.F.R. § 1.401(a)(31)-1, Q&A 13.

in one centralized online location. Having easy access to such information can help participants make informed decisions, such as deciding to consolidate their accounts, which can help them minimize plan fees and prevent accounts from becoming lost or unclaimed. Without a federal agency that is assigned and granted the authority to establish a pension dashboard, participants' current challenges with losing track of their accounts and having to keep track of multiple accounts are likely to persist.

Participants' Savings are Not Automatically Rolled Over to Their New Plan

There is no federal provision that allows plans to automatically roll over a separated participant's 401(k) savings to their new employer's plan without their consent. Under ERISA and the IRC, plan-to-plan rollovers are currently voluntary transactions that must be initiated by the 401(k) participant, provided that the new plan accepts rollovers.[82] As a result, participants continue to navigate a manual plan-to-plan rollover process. Typically, this requires participants to work separately with their old plan and new plans to understand and comply with the plans' requirements for requesting and completing a rollover transaction.[83] As part of the rollover process, participants must be prepared to: (1) fill out, sign, and submit requisite rollover forms, (2) provide additional documentation, depending on their plans' requirements, and (3) facilitate the transfer of savings from their old to their new plan, if it is not transferred directly. To maintain consolidated account savings throughout their careers, 401(k) participants must initiate and repeat a plan-to-plan rollover following each job change.

We previously reported that completing a plan-to-plan rollover can present challenges for 401(k) participants because:

- The process that 401(k) participants undergo can be complex and inefficient, and can vary based on each plan's requirements.

[82] GAO-13-30.

[83] GAO-13-30.

- The burden of completing a plan-to-plan rollover is on participants, who may receive little assistance regarding their distribution options from their former employers.[84]
- The plan-to-plan rollover process can be inefficient when the participant ends up serving as the intermediary between their old and new plans.[85]

Based on our nationally-representative survey, 401(k) participants who recently completed a plan-to-plan rollover faced a number of challenges understanding and complying with their old and new plans' rollover requirements, which can discourage them from pursuing rollovers in the future (see table 11).

Table 11: GAO Estimates of Top Challenges 401(k) Participants Faced in Understanding and Complying with Their Old and New Plans' Rollover Requirements

Question	Response	Participants' selecting response
Why was it challenging to understand your old 401(k) plan's requirements for a plan-to-plan rollover?	There were too many steps to follow to go through my old 401(k) plan's rollover process	25%
Why was it challenging to understand your old 401(k) plan's requirements for a plan-to-plan rollover?	I didn't have help from an independent financial or retirement advisor	19%
Why was it challenging to understand your old 401(k) plan's requirements for a plan-to-plan rollover?	The instructions for the rollover request form were complicated and difficult to understand	18%
Why was it challenging to understand your new 401(k) plan's requirements for a plan-to-plan rollover?	I was unclear how some of the questions or information being asked in the rollover request form applied to my situation	22%
Why was it challenging to understand your new 401(k) plan's requirements for a plan-to-plan rollover?	I didn't understand the roles and responsibilities of my old and new 401(k) plan in completing my rollover	20%
Why was it challenging to understand your new 401(k) plan's requirements for a plan-to-plan rollover?	There were too many steps to follow to go through my old 401(k) plan's rollover process	18%
Why was it challenging to comply with your old 401(k) plan's requirements for a plan-to-plan rollover?	It took too much time or effort to do what was required	26%a
Why was it challenging to comply with your old 401(k) plan's requirements for a plan-to-plan rollover?	My old 401(k) plan did not keep me updated on the status of the rollover request	19%a
Why was it challenging to comply with your old 401(k) plan's requirements for a plan-to-plan rollover?	My old 401(k) plan told me what was required but did not help me do what they needed	19%a
Why was it challenging to comply with your new 401(k) plan's requirements for a plan-to-plan rollover?	It was difficult to know what was happening because my old and new 401(k) plan did not communicate with each other directly	23%a

[84] GAO-13-30.

[85] GAO-13-30.

Question	Response	Participants' selecting response
Why was it challenging to comply with your new 401(k) plan's requirements for a plan-to-plan rollover?	It took too much time or effort	19%a
Why was it challenging to comply with your new 401(k) plan's requirements for a plan-to-plan rollover?	My old 401(k) plan did not help me with what my new 401(k) plan required	16%
Why was it challenging to show or certify that the savings to be rollover from your old 401(k) plan came from an eligible plan under federal tax rules?	It was difficult to be the intermediary between my new 401(k) plan that required the documentation and my old 401(k) plan that needed to provide it	33%a
Why was it challenging to show or certify that the savings to be rollover from your old 401(k) plan came from an eligible plan under federal tax rules?	My old and new 401(k) plan did not work together to process my rollover request	20%a
Why was it challenging to show or certify that the savings to be rollover from your old 401(k) plan came from an eligible plan under federal tax rules?	I didn't fully understand what my new 401(k) plan needed me to do	19%a

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower, unless otherwise noted.

[a]The margin of error at the 95 percent confidence level is between plus or minus 10 and 15 percentage points.

Plan-to-plan rollovers can be beneficial to 401(k) participants because they:

- allow 401(k) participants to easily keep track of their savings because it is consolidated;
- maintain federal ERISA protections and fiduciary oversight for their plan benefits;
- preserve the tax-deferred status of their savings;
- avoid redundant plan administration fees on inactive accounts; and,
- may receive more favorable employer-negotiated plan pricing, among other benefits.[86]

Consequently, allowing for establishing automatic plan-to-plan rollovers for 401(k) participants can:

- help eliminate the need for participants to navigate a complex process and undergo the array of administrative tasks necessary to consolidate their savings after each job change;
- help a participant by allowing their old and new plans to work together directly to facilitate an automatic savings transfer; and,
- benefit unengaged participants who may not have the time or ability to understand, evaluate, and make decisions about their distribution options.

The SECURE 2.0 Act includes a provision that creates an exemption from the tax on prohibited transactions in the IRC for fees and compensation paid to an "automatic portability provider". These providers execute an "automatic portability transfer" of amounts transferred from a forced-transfer IRA to a participant's current plan (an IRA-to-plan transfer).[87] Generally, 401(k) participants will only be eligible for an automatic portability transfer under certain conditions: if they left a balance not more than $5,000 in their prior employer sponsored plan, their prior plan transferred the balance to a forced-transfer IRA, and they participate in a

[86] GAO-13-30.

[87] Pub. L. No. 117-328, div. T, § 120, 136 Stat. 4459, 5303-08. For such a transfer to be considered an "automatic portability transfer," the participant must have been given advanced notice of the transfer and not have affirmatively opted out of the transfer.

new plan to which the force-transferred IRA savings can be transferred.[88] Automatic portability transfers are optional and would occur only if a participant's plan sponsor signs up for the service with a private service provider that has the capability to complete such transfers. Participants who leave their jobs with account balances greater than $5,000 ($7,000 after December 31, 2023) would not be eligible for automatic portability transfers.

Although ERISA grants DOL broad authority to help protect plan participants' retirement savings and IRS administers and enforces provisions in the IRC related to 401(k) plans, neither agency has the statutory authority under ERISA and the IRC to require plans that accept rollovers to implement plan-to-plan rollovers on a participant's behalf without the participant's affirmative consent. Allowing plan sponsors to automatically roll over, without charging fees, any amount of savings left by separated participants to their new employer's plan—provided that the new plan accepts rollovers, and the participant does not opt-out—can help participants maintain consolidated savings. Without DOL and IRS having statutory authority to allow plans to implement automatic plan-to-plan rollovers, participants not eligible for automatic portability transfers will need to continue to go through the manual process of rolling over their plan savings, or possibly taking other options such as cashing out their tax-deferred savings. As a result, participants may not receive the benefits of account consolidation within the 401(k) plan environment, which can ultimately compromise their retirement savings.

Participants' Inactive Small Accounts Are Not Centrally Consolidated

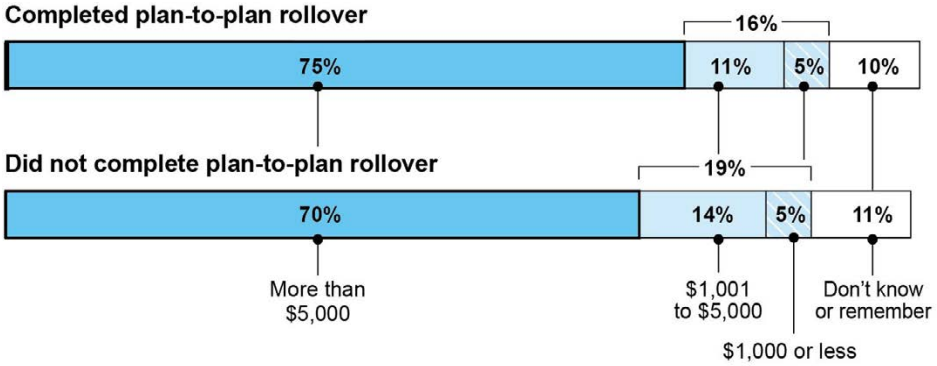
No federal agency or entity has the authority to act as a central consolidator for small inactive account savings of $5,000 or less that are eligible to be forced-out from active 401(k) plans. If 401(k) participants leave their jobs and do not instruct their plan on what to do with their small account savings, federal law allows the plan to: (1) force-transfer vested account balances of $5,000 ($7,000 after December 31, 2023) or less out of the plan and transfer the savings into an IRA, or (2) distribute

[88] The SECURE 2.0 Act included a provision that increases the threshold for account balances from $5,000 to $7,000, beginning with distributions made after December 31, 2023.

balances of $1,000 or less directly to the participant.[89] As we previously reported, it is common practice among 401(k) plans to force-transfer accounts of less than $5,000 to an IRA.[90]

Our survey showed that about 18 percent of all 401(k) participants had account balances of $5,000 or less at the time the participant left their employer, and these accounts may still be eligible to be forced-transferred (see fig. 10).

Figure 10: GAO Estimates of the Account Balances of 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover at the Time They Left Their Job



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 10: GAO Estimates of the Account Balances of 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover at the Time They Left Their Job

	More than $5,000	$1,001 to $5,000	$1,000 or less	Don't know or remember
Completed plan-to-plan rollover	75%	11%	5%	10%
Did not complete plan-to-plan rollover	70%	14%	5%	11%

[89] 26 U.S.C. § 401(a)(31)(B)(i). Plans can choose between cash-outs and a forced-transfer IRA for balances of $1,000 or less. If a participant's account is $1,000 or less, a plan can complete a forced transfer by paying the account balance directly to the participant, which is a taxable event. The plan would withhold 20 percent of the balance for anticipated tax liability. An additional 10 percent tax for early withdrawal may apply if the individual is under age 59 ½ at the time of the distribution. 26 U.S.C. § 72(t). The law prescribes a transfer to an individual retirement plan, which is defined as an IRA. The law also includes an individual retirement annuity as an option but providers we previously interviewed did not indicate that individual retirement annuities are used by plans seeking a destination for forced transfers. GAO-15-73.

[90] GAO-15-73.

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower. Due to rounding, percentages do not always add up to 100 percent.

We also previously reported challenges associated with participants keeping track of their forced-transfer IRAs.[91] We found that: (1) the forced-transfer IRA is opened by the plan without the participant's specific consent or cooperation, and (2) the forced-transfer IRA provider may not be the same company as participants' former employer's service provider.[92] Our survey found that about 75 percent of all 401(k) participants eligible for a plan-to-plan rollover had different service providers for their old plan and their new plan. We reported that participants may also not respond to notices they receive about their forced-transfer IRA nor claim their savings.[93] These circumstances can arise even though plans are required to inform participants before forcibly transferring their savings to an IRA, and forced-transfer IRA providers are required to notify participants about their IRA after the transfer. We previously determined that forced-transfer IRAs can become investments that unengaged participants do not claim, and that can remain unclaimed indefinitely.[94]

Industry stakeholders previously told us that participants may forget about a collection of small accounts because the small balances provide little incentive for participants to track those savings.[95] The SECURE 2.0 Act expansion of automatic enrollment in new 401(k) plans is likely to increase retirement plan coverage among workers. However, it may also exacerbate participants' propensity to accumulate multiple small accounts subject to forced-transfers because, unless the employee opts-out, plans may open accounts for new employees without the employee having to provide specific consent or take specific action.

Furthermore, participants with small accounts eligible for forced-transfers are more prevalent among groups that may be more economically vulnerable. Our survey shows that while about 18 percent of all 401(k) participants who were eligible to complete a plan-to-plan rollover had

[91] GAO-15-73.

[92] GAO-15-73.

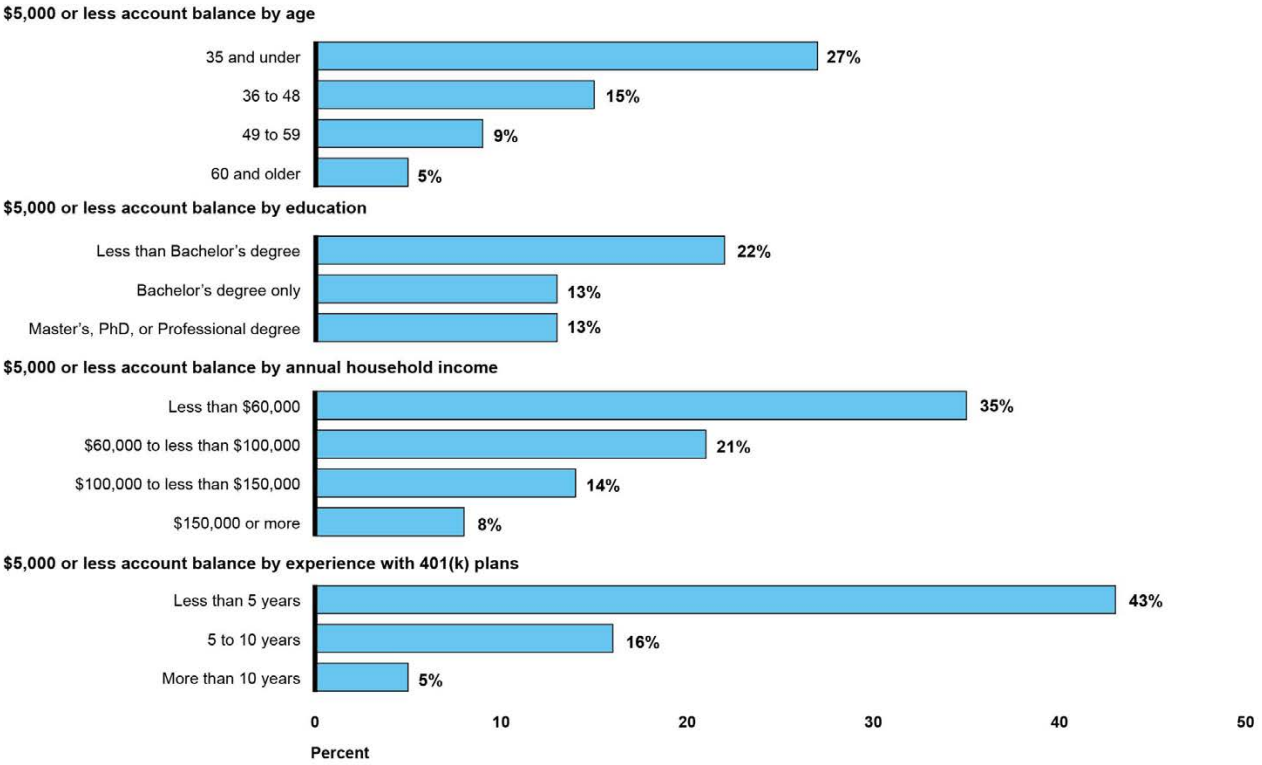
[93] GAO-15-73.

[94] GAO-15-73.

[95] GAO-15-73.

account balances of $5,000 or less when they left their job, small accounts were more often reported among participants who are younger, have less than a bachelor's degree, have lower income, and have less experience with 401(k) plans (see fig. 11).

Figure 11: GAO Estimates of 401(k) Participants with $5,000 or Less in Account Balance by Age, Education, Annual Household Income, and Experience with 401(k) Plans



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 11: GAO Estimates of 401(k) Participants with $5,000 or Less in Account Balance by Age, Education, Annual Household Income, and Experience with 401(k) Plans

- $5,000 or less account balance by age
  - 35 and under, 27%
  - 36 to 48, 15%
  - 49 to 59, 9%
  - 60 and older, 5%
- $5,000 or less account balance by education
  - Less than Bachelor's degree, 22%
  - Bachelor's degree only, 13%
  - Master's, PhD, or Professional degree, 13%

- $5,000 or less account balance by annual household income
  - Less than $60,000, 35%
  - $60,000 to less than $100,000, 21%
  - $100,000 to less than $150,000, 14%
  - $150,000 or more 8%
- $5,000 or less account balance by experience with 401(k) plans
  - Less than 5 years, 43%
  - 5 to 10 years, 16%
  - More than 10 years, 5%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower.

While not applicable to active 401(k) plans, federal law and regulation allow the Pension Benefit Guaranty Corporation (PGBC) to receive and hold a missing participant's savings from *terminated* defined contribution plans, including 401(k) plans, without a participant's consent.[96] 401(k) plans that terminated on or after January 1, 2018 have the option to transfer savings for their missing participants[97] to the PBGC, regardless of the savings amount.[98]

Under PBGC's Missing Participants Program for terminating defined contribution plans, the agency serves as a central consolidator for transferred savings. The program's goal is to connect missing participants with their savings from terminated plans that are closing out.[99] To more easily reunite participants with their account savings, PBGC officials told us that it: (1) adds the names of missing participants to a centralized online searchable directory on its website so participants can check if

[96] 29 C.F.R. § 4050.201–207.

[97] Generally, a missing participant is a former employee who has left savings in a qualified retirement savings plan at their former employer but is not responsive to contact from their plan or their plan cannot locate them.

[98] 29 C.F.R. § 4050.201–207. PBGC officials told us: (1) DC plans that terminated before January 1, 2018 are not eligible to participate in the program, and (2) the agency decided to make the program voluntary (rather than mandatory) for terminated DC plans because it wanted to first gauge the level of participation in the program first.

[99] Sponsors of terminated DC plans have two ways to use PBGC's program for their missing participants and may either: (1) transfer account balances directly to PBGC, or (2) provide PBGC with information about where the account balances were transferred. 29 C.F.R. § 4050.203.

their savings were transferred to the agency[100]; and (2): proactively searches commercial databases to locate missing participants.[101]

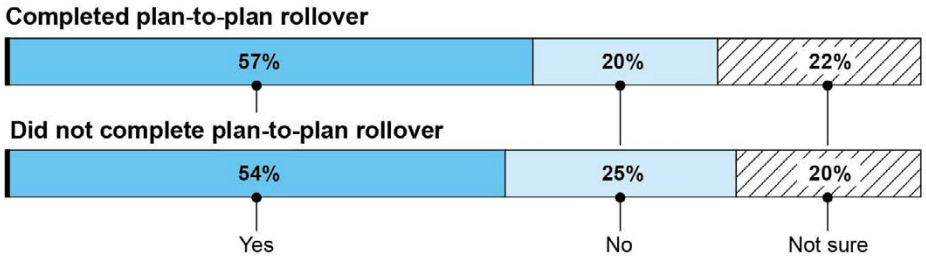
Because plan savings transferred to the PBGC maintain their tax-deferred status, PBGC officials told us participants can roll over their claimed savings from the PBGC to another tax-qualified plan, such as a 401(k) plan or IRA, without incurring transfer fees or recurring administrative or investment fees, a tax event, or withdrawal penalties. According to PBGC, the agency reunited 2,018 of 9,379 participants with their defined contribution plan benefits, totaling $73 million of the $188 million taken in under the Missing Participants Program from its inception in 2018 to September 2022.

According to our survey, more than one-half of 401(k) participants eligible for a plan-to-plan rollover are in favor of a central consolidator for their inactive account savings, which is functionally similar to PBGC's role with respect to terminated defined contribution plans that transfer savings to the agency (see fig. 12). Specifically, about 56 percent of eligible 401(k) participants would have wanted *their savings in any inactive 401(k) plans (from prior jobs) to be transferred automatically and consolidated into a separate single plan that guaranteed those savings would not be reduced by fees or charges until they were ready to take withdrawals or roll over their savings*. Furthermore, about 65 percent of eligible 401(k) participants with an account balance of $5,000 or less favored that option when asked.

[100] According to PBGC, the agency removed access to the online search directory in January 2020 due to security concerns. PBGC has since developed a different and more secure search that no longer shows search results on its website. Instead, individuals who search are informed whether or not PBGC is holding a benefit based on two data points. If there is a match, users are notified that they may be owed a benefit and are instructed to contact PBGC to begin the process of determining eligibility and verifying their identity.

[101] PBGC officials told us that unclaimed savings will remain with the agency in perpetuity.

Figure 12: GAO Estimates of Whether 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover Would Have Wanted Their Inactive Plan Savings Transferred to a Centralized Consolidator



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 12: GAO Estimates of Whether 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover Would Have Wanted Their Inactive Plan Savings Transferred to a Centralized Consolidator

	Yes	No	Not sure
Completed plan-to-plan rollover	57%	20%	22%
Did not complete plan-to-plan rollover	54%	25%	20%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: Respondents were asked: "Based on your experience with 401(k) plan rollovers, would you have wanted your savings in any inactive 401(k) plans (from prior jobs) to be transferred automatically and consolidated into a separate single plan, that guaranteed your savings would not be reduced by fees or charges, until you were ready to take withdrawals or roll over those savings?" All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points. Due to rounding, percentages do not always add up to 100 percent.

PBGC is responsible for its Missing Participants Program, but officials told us the agency does not have the legal authority to expand the program for defined contribution plans to receive small balances of less than $5,000 eligible for force-transfers from active 401(k) plans. They told us their current program for terminated defined contribution plans is an expansion of their Missing Participants Program for terminated defined benefit plans, as required under ERISA, which was expanded following the Pension Protection Act of 2006. Similarly, ERISA grants DOL broad authority to help protect plan participants' retirement savings and IRS administers and enforces provisions in the IRC related to 401(k) plans. However, neither DOL nor IRS have the authority to create, identify, or facilitate alternative destinations—including to PBGC's program—for

small account savings of $5,000 ($7,000 after December 31, 2023) or less that are eligible to be forced-transferred from active plans.[102]

In addition, as previously discussed, under the SECURE 2.0 Act, participants with forced-transfer IRAs are eligible for automatic IRA-to-plan rollovers if their new plan signed up with a provider who could handle the transaction. For other participants, failure to claim their forced–transfer IRA savings or transfer it to a 401(k) plan can be detrimental to their overall retirement savings. As we previously reported, forced-transfer IRA providers typically invest participants' savings in money-market funds, certificates of deposits or assets with similar low investment risk to meet certain legal requirements.[103] Our prior analysis showed that a low investment return coupled with administrative fees can steadily erode a small stagnant account balance. As a result, savings in a forced-transferred IRA can lose some or all of its value over time.

PBGC's Missing Participants Program could potentially benefit separated participants with small account balances of $5,000 ($7,000 after December 31, 2023) or less who would otherwise be subject to forced-transfers from active 401(k) plans to an IRA. Under PBGC's program, participants generally do not incur fees that can be assessed if their savings were transferred to a force-transfer IRA.[104] In addition, PBGC's program can be beneficial for 401(k) participants with small account balances of $5,000 ($7,000 after December 31, 2023) or less which, as figure 12 shows, is more prevalent among groups that may be more economically vulnerable. Further, allowing PBGC to receive small accounts of $5,000 ($7,000 after December 31, 2023) or less that are forced-transferred from active 401(k) plans could give plan sponsors another option in deciding how to manage small inactive accounts in their participants' best interests.

[102] GAO-15-73. In 2019, DOL issued a 5-year exemption from the prohibited transaction rules in the IRC to facilitate automatic IRA-to-plan transfer services offered by a single private company. The exemption permits the firm to receive certain fees in connection with its program to transfer an individual's savings in a forced-transfer IRA to another tax-qualified employer-sponsored retirement plan (including a 401(k) plan) without their affirmative consent. 84 Fed. Reg. 37.337 (July 31, 2019).

[103] GAO-15-73.

[104] PBGC currently charges a one-time $35 administrative fee for transferred accounts of more than $250. Accounts held by PBGC grow with interest based on a federal medium term bond rate.

Federal standards for internal control require federal agencies to obtain and use quality information and to communicate this information to external parties that can help the agency achieve its objectives and address related risks.[105] Given that no federal agency or entity has been given authority to act as a central consolidator for small accounts from active 401(k) plans, and that PBGC's Missing Participant Program could potentially provide a solution, a PBGC study of and report to Congress on the feasibility of amending current law could provide quality information about this potential option. Studying the feasibility of expanding the Missing Participants Program to allow active 401(k) plans to force-transfer small account balances of $5,000 or less ($7,000 after December 31, 2023) to PBGC's program would be an important step to understanding whether this option could help preserve participants' small account balances, prevent the erosion of those balances, and increase opportunities for participants to locate and claim their savings.

PBGC officials told us the feasibility of expanding their Missing Participants Program to include small accounts forced-transferred from active 401(k) plans would merit further study. They said the volume of potential forced-transfers, agency capacity and resources, and data-security are among issues that the agency would need to consider. PBGC officials also told us there have been prior proposals to expand the program to allow forced-transfers from active plans, but the proposals did not proceed far enough to prompt them to undertake a study.

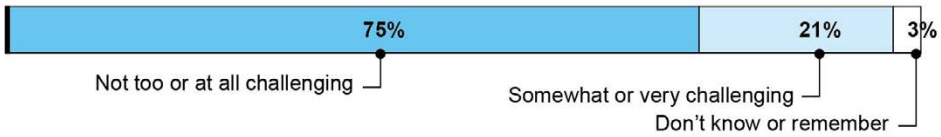
Plan-to-Plan Rollover Process Is Not Standardized

The lack of standardization in plan-to-plan rollovers can make the process challenging for participants. As previously discussed, to complete a plan-to-plan rollover, 401(k) participants must typically facilitate or carry out numerous administrative tasks required by their old plan and new plan. Because each 401(k) plan can generally decide how it wants to handle plan-to-plan rollovers, the processes, requirements, and forms that a participant must follow are not standardized and can differ substantially from one plan to another. Further, the rollover process can also vary depending on whether a plan is transferring savings out of the plan or receiving rollovers from another plan.

[105] GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, D.C.: Sept. 2014).

Based on our nationally-representative survey, we estimate that 21 percent of participants who recently completed a plan-to-plan rollover found the process to be *somewhat or very challenging* (see fig. 13).

Figure 13: GAO Estimates of Whether 401(k) Plan Participants Found Their Recent Plan-to-Plan Rollover Experiences to Be Challenging



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 13: GAO Estimates of Whether 401(k) Plan Participants Found Their Recent Plan-to-Plan Rollover Experiences to Be Challenging

- Not too or at all challenging, 75%
- Somewhat or very challenging, 21%
- Don't know or remember, 3%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower. Due to rounding, percentages do not add up to 100 percent.

Among participants who recently completed a plan-to-plan rollover, between about 15 and 30 percent of participants identified reasons why they experienced challenges with the process (see table 12). Typically, participants need to understand, for example, what forms to complete, the information needed to provide on such forms, and whether additional documentation or certifications are needed. In addition, participants need to comply with their plans' requirements regarding, for example, third parties' submission of rollover forms and additional documentation or certification.

Table 12: GAO Estimates of Reasons Why 401(k) Participants Found Their Old and New Plan's Rollover Requirements to Be Somewhat or Very Challenging

	Old plan requirements	New plan requirements	Top reasons old and new Plan requirements were challenging
Understanding plan requirements was somewhat or very challenging	31%	21%	The instructions for the rollover request form were complicated and difficult to understand I was unclear how some of the questions or information being asked in the rollover request form applied to my situation There were too many steps to follow to go through my 401(k) plan's rollover process
Complying with plan requirements was somewhat or very challenging	18%	15%	It took too much time and effort[a] It was difficult to know what was happening because my old and new 401(k) plan did not communicate with each other directly I didn't fully understand the form

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower.

[a]The margin of error at the 95 percent confidence level is between plus or minus 10 and 15 percentage points.

As we previously reported, the lack of a standardized plan-to-plan rollover process for 401(k) plans can result in variation across forms and verification requirements, among other issues, that can add complexity to participants' administrative burden.[106] For example:

- **Forms.** Different plans can require participants to complete and submit different forms to request a distribution, such as for a plan-to-plan rollover. Typically, both the old plan and new plan require receipt of such forms, which plans may not make available or accept electronically. In our prior review of sample plan distribution packet materials—such as what a participant seeking a rollover would need to review and complete—we found that some plans' materials were single documents of only a few pages, while other plans included multiple documents with numerous pages.[107] Additionally, more than one-half of the packets we previously reviewed did not include a distribution request form that would allow participants to request their savings be rolled over to another plan. This circumstance forces

[106] GAO-13-30.

[107] GAO-13-30.

participants to take an additional step to contact their plans or service providers to request the necessary materials.[108]

- **Verification requirements.** A new plan can have complex and lengthy verification requirements to ensure funds that participants want to roll over from an old plan are tax-qualified under the IRC. To achieve such verification, participants may need to comply with both plans' requirements regarding things like, for example, the submission of forms and documentation or certifications. For example, a participant's new plan can require the old plan complete verification forms, but the old plan may have little incentive to handle the verification expeditiously. If participants are responsible for ensuring that their old plan completes and returns the verification forms, the onus will be on the participant to serve as the intermediary between their old and new plans. In addition, the length of time it takes to complete a distribution of a participant's 401(k) plan balance, such as for a rollover, largely depends on the service provider for the plan. Plans are not required to process distribution requests within a specified time frame. We previously reported that several service providers told us that because it is not in the interests of most service providers to release funds to another service provider, they may not process plan-to-plan rollover requests in a timely manner.[109]
- **Transfer of direct rollover savings.** As shown in figure 14, 401(k) plans can vary in how they transfer participant savings to complete a direct plan-to-plan rollover. Our survey estimated that nearly 60 percent of 401(k) participants' old plan sent their savings directly to the participants' new plan, and nearly 30 percent of participants received a check payable to the new plan that they had to forward to the new plan. We previously reported that providers are allowed to send rollover checks to participants even though it takes more time and places an additional burden on the participant who may not always know what steps to take.[110] Treasury and IRS officials previously told us that plan service providers often choose to send direct rollover distribution checks to participants, rather than to the receiving plan, because it is easier for the service provider. However, doing so creates delays and uncertainty for participants and complicates the rollover process.[111] This process can result in checks

[108] GAO-13-30.

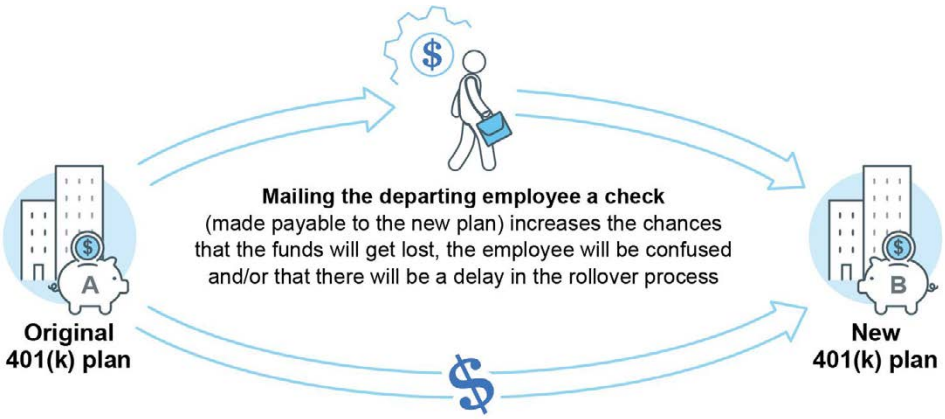
[109] GAO-13-30.

[110] GAO-13-30.

[111] GAO-13-30.

getting misplaced or lost, requires the individual to route their retirement plan savings to the correct receiving entity, and prolongs the time it takes to process the rollover. A participant's savings may linger in the process for weeks given the time it takes a service provider to prepare and send a paper check by mail to the participant, who then needs to deliver it to the receiving plan. Such processing delays increase the likelihood that participants will not complete the rollover process, leaving their retirement accounts unconsolidated and harder to manage.

Figure 14: Two Ways 401(k) Plans May Process Direct Rollovers to a New Plan



Source: GAO analysis of plan savings distribution rules and rollover process. GAO (icons). | GAO-24-103577

Accessible Data for Figure 14: Two Ways 401(k) Plans May Process Direct Rollovers to a New Plan

- Original 401(k) plan: Mailing the departing employee a check (made payable to the new plan) increases the chances that the funds will get lost, the employee will be confused and/or that there will be a delay in the rollover process
- New 401(k) plan: Sending the funds directly to the new employer's 401(k) provider eliminates confusion, reduces the delay in getting the money reinvested and makes it possible to complete the transaction electronically.

Source: GAO analysis of plan savings distribution rules and rollover process. GAO (icons). | GAO-24-103577

Our survey results show that about a quarter of 401(k) participants who recently completed a plan-to-plan rollover would have wanted their plans' rollover process to be standardized (see table 13).

Table 13: GAO Estimates of What Could Have Helped 401(k) Participants Comply with Their Old and New Plans' Rollover Requirements

Question	Response	Participant responses
What could have helped you comply with your old 401(k) plan's requirements for a plan-to-plan rollover	My old and new 401(k) plan could have followed a standardized process and forms	28%[a]
What could have helped you comply with your new 401(k) plan's requirements for a plan-to-plan rollover	My old and new 401(k) plan could have followed a standardized process and forms	28%

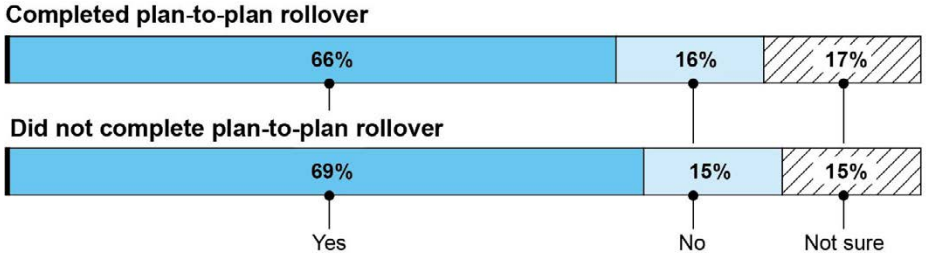
Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower.

[a]The margin of error at the 95 percent confidence level is between plus or minus 10 and 15 percentage points.

Based on their recent experience, about 67 percent of all eligible 401(k) participants would have *wanted the ability to do a plan-to-plan rollover online without having to submit paperwork or speak with anyone* (see fig. 15). These survey results suggests that, in contrast to the current manual rollover process, more participants would implement or be more satisfied with plan-to-plan rollovers if the procedure was standardized, simple, and easy to complete online.

Figure 15: GAO Estimates of Whether 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover Would Have Wanted the Ability to Request a Plan-to-Plan Rollover Online



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 15: GAO Estimates of Whether 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover Would Have Wanted the Ability to Request a Plan-to-Plan Rollover Online

	Yes	No	Not sure
Completed plan-to-plan rollover	66%	16%	17%
Did not complete plan-to-plan rollover	69%	15%	15%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower. Due to rounding, percentages do not add up to 100 percent.

Treasury, IRS, and DOL share responsibility for rules relating to plan-to-plan rollovers:

- Treasury's OTP is responsible for developing tax policy and reviewing regulations to administer the IRC related to the tax consequences of 401(k) distributions, including plan-to-plan rollovers.
- IRS is responsible for enforcing provisions in the IRC, including those related to 401(k) plan distributions.
- ERISA tasks DOL with broad responsibilities to protect the interests of plan participants and their beneficiaries.

Based on recommendations we made in our 2013 report on rollovers, DOL took some steps to address the lack of standardized plan practices related to plan-to-plan rollovers.[112] Following our recommendation, DOL consulted the Advisory Council on Employee Welfare and Pension Benefit Plans[113] (ERISA Advisory Council or EAC) in 2014, 2015, and 2016 on related issues to help facilitate lifetime participation in employer-sponsored retirement plans.[114] In response to DOL, the EAC made a

[112] GAO-13-30. We closed this prior recommendation as implemented because DOL consulted the EAC in 2015 on ways the council could help the department in this area. However, we believe DOL can take further action because plan sponsors continue to not be required to provide participants with a concise written summary explaining their four distribution options when they separate from an employer. The 2015 EAC drafted for DOL's consideration, tips, principals, and sample communications for plan sponsors to consider when communicating with participants eligible for distributions of their savings. The EAC-drafted materials were generally aligned with our 2013 recommendation. The EAC indicated that these draft materials could be further enhanced if reviewed by plan sponsors, communications experts, and academics, as well as through test marketing prior to release. However, as of September 2023, DOL has not taken regulatory action or issued guidance in response to the EAC's 2015 findings.

[113] ERISA provides for the establishment of an Advisory Council on Employee Welfare and Pension Benefit Plans, known as the ERISA Advisory Council. The duties of the council are to advise the Secretary and submit recommendations regarding the Secretary's functions under ERISA. 29 U.S.C. § 1042.

[114] ERISA Advisory Council: Issues and Considerations Surrounding Facilitating Lifetime Plan Participation. November 2014. ERISA Advisory Council: Model Notices and Plan Sponsor Education and Lifetime Plan Participation. November 2015. ERISA Advisory Council: Participant Plan Transfers and Account Consolidation for the Advancement of Lifetime Plan Participation. November 2016.

number of recommendations to help improve the plan-to-plan rollover process for participants. Specifically:

- In 2014, the EAC recommended that DOL should, among other things: (1) "create uniform sample forms for facilitating plan-to-plan transfers" and (2) "develop model, plain language communications that can be provided to participants…in the plan…to help them decide what to do with [their] retirement assets, particularly at job change."[115]
- In 2015, the EAC drafted sample materials for DOL to consider.[116]
- In 2016, the EAC recommended that DOL, among other things, "[i]ssue a Request for Information to explore how the [agency] can encourage and support the adoption of secure electronic data standards [(i.e., standard data elements, electronic forms and processing, and electronic transfer of funds)] for the development of a process, system, platform and/or clearinghouse to facilitate acceptance and expedite processing of eligible rollovers into retirement plans covered by ERISA."[117]

Similarly, IRS took action in 2014 to help address the issue of some plans not accepting plan-to-plan rollovers because of concerns about the tax-qualification status of funds rolled over into a plan.

However, our survey results show that participants continue to report challenges associated with a lack of standardization in the plan-to-plan rollover process.[118] Although DOL and IRS have taken actions since 2013, the plan-to-plan rollover process is not standardized. 401(k) plans are not required to follow a standardized process or use standard forms to process plan-to-plan rollovers, nor are they required to complete the rollover transaction within a specified time period or send savings directly to a new plan electronically.

[115] ERISA Advisory Council: Issues and Considerations Surrounding Facilitating Lifetime Plan Participation. November 2014.

[116] ERISA Advisory Council: Model Notices and Plan Sponsor Education on Lifetime Plan Participation. November 2015.

[117] ERISA Advisory Council: Participant Plan Transfers and Account Consolidation for the Advancement of Lifetime Plan Participation. November 2016.

[118] IRS, "Rollovers to Qualified Plans." Revenue Ruling 2014-9. Internal Revenue Bulletin: 2014-17. April 21, 2014. Accessed March 7, 2023: https://www.irs.gov/irb/2014-17_IRB#RR-2014-9.

ERISA provides for the establishment of the ERISA Advisory Council, whose duties are to advise the Secretary of Labor and submit recommendations for DOL to consider. However, as of September 2023, DOL has not taken regulatory action or issued guidance that address EAC's 2016 recommendations for the agency to help standardize the plan-to-plan rollover process to assist participants.[119] When asked about the status of related EAC recommendations, DOL officials told us that EAC's recommendations to DOL are advisory and that the agency is not required to implement them. They also said they would need to consider DOL's available resources and statutory authority in deciding whether to take action on EAC recommendations.

Congress has recognized the importance of standardization in the rollover process. Specifically, the SECURE 2.0 Act includes a provision that requires the Secretary of the Treasury to issue guidance on rollovers by no later than January 1, 2025.[120] The act requires Treasury to "simplify, standardize, facilitate, and expedite the completion of rollovers to eligible retirement plans" by developing and issuing guidance through "sample forms (including relevant procedures and protocols)" that are easily understood by the average person and can be used by both distributing plans and receiving plans.[121] Guidance from Treasury may address a number of the challenges participants encounter in the rollover process.

To help ensure that federal efforts to simplify and standardize the rollover process are successful, DOL could implement the EAC's 2016 recommendation to DOL to "issue a Request for Information to explore how the [DOL] can encourage and support the adoption of secure electronic data standards for the development of a process, system, platform and/or clearinghouse to facilitate acceptance and expedite processing of eligible rollovers into retirement plans covered by ERISA.[122]" Without continued progress towards developing secure

[119] Federal standards for internal control require federal agencies to obtain and use quality information and to communicate this information to external parties that can help the agency achieve its objectives. GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, D.C.: Sept. 2014).

[120] Pub. L. No. 117-328, div. T, § 324, 136 Stat. 4459, 5358.

[121] The Act also requires Treasury to issue corollary guidance regarding IRA-to-IRA transfers.

[122] ERISA Advisory Council: Participant Plan Transfers and Account Consolidation for the Advancement of Lifetime Plan Participation. November 2016.

electronic standards to facilitate efficient plan-to-plan rollovers, participants will likely continue to find the process challenging and may avoid consolidating their savings altogether.

Additionally, IRS should implement a recommendation we made in 2013 to revise its rules that allow plans and providers to send direct rollover distribution checks to individuals rather than to the receiving plan.[123] IRS generally agreed with our recommendation, but had not taken action to implement it as of September 2023.[124] By implementing our 2013 recommendation to revise its rules, IRS can help improve the funds distribution process for plan-to-plan rollovers, and lessen the likelihood of lost checks and failed rollovers. Taken together, actions by Treasury, DOL, and IRS can help to improve the rollover process for participants and help support their retirement security.

Most Participants Who Completed a Plan-to-Plan Rollover Did Not Find the Overall Process Challenging

Based on our survey, we estimate that about 75 percent of participants who completed a plan-to-plan rollover in the prior 3 years found the overall rollover process to be *not too or at all challenging*.

401(k) participants who completed a plan-to-plan rollover were generally satisfied with how their old and new plans implemented their rollover request. Eighty-seven percent of eligible 401(k) participants who completed a plan-to-plan rollover were *somewhat or very satisfied* with how their *old* plan implemented their rollover request. Similarly, 84 percent were *somewhat or very satisfied* with how their *new* plan implemented their rollover request. Participants cited a simple and easy process to explain why they were *very satisfied* with how their plans implemented their rollover request (see table 14).

[123] 26 C.F.R. § 1.401(a)(31), Q/A-4 (2012).

[124] GAO recommended to IRS: to help reduce obstacles and disincentives to keeping retirement savings in the 401(k) plan environment, the Commissioner of Internal Revenue and Secretary of Labor should review policies that affect separating employees leaving retirement savings in an employer's plan and, for those who choose to roll their distributions into another 401(k) plan, the process of plan-to-plan rollovers. As part of such a review, the Commissioner of Internal Revenue should revise rules that allow plans and providers to send direct-rollover distribution checks to individuals rather than to the receiving entities to which the checks are written. We closed this recommendation as not implemented because the recommendation had not been implemented and more than 5 years had passed. GAO-13-30.

Table 14: GAO Estimates of Top Responses That 401(k) Participants Who Completed a Plan-to-Plan Rollover Gave for Why They Were Very Satisfied with How Their Old and New Plan Implemented Their Rollover Request

Question	Response	Participants selecting response
Why were you very satisfied with how your old 401(k) plan or employer implemented your rollover request?	Their process was simple and easy for me to comply with	49%
Why were you very satisfied with how your old 401(k) plan or employer implemented your rollover request?	They promptly processed my request and sent my savings (to my new plan)	40%
Why were you very satisfied with how your new 401(k) plan or employer implemented your rollover request?	Their process was simple and easy for me to comply with	72%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower.

401(k) participants who had recently completed a plan-to-plan rollover gave specific reasons for why they were satisfied with the rollover process. For example, more than one-half of 401(k) participants who requested a rollover did not need to follow-up with their old or new plan, such as to check on the status of the request or to help ensure it would be completed. Nearly 65 percent of participants said the rollover process required less than one month from when they requested a rollover of their savings from their old plan to when their savings were deposited into their new plan. Thus, based on their experience with the process, about 60 percent of 401(k) participants who had recently completed a plan-to-plan rollover are *somewhat or very likely* to pursue a plan-to-plan rollover in the future (see fig. 16).

Figure 16: GAO Estimates of the Likelihood That 401(k) Participants Who Completed a Plan-to-Plan Rollover Will Pursue a Future Plan-to-Plan Rollover

Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 16: GAO Estimates of the Likelihood That 401(k) Participants Who Completed a Plan-to-Plan Rollover Will Pursue a Future Plan-to-Plan Rollover

- Somewhat or very likely, 60%
- Not too or at all likely, 23%

- I don't know, 17%

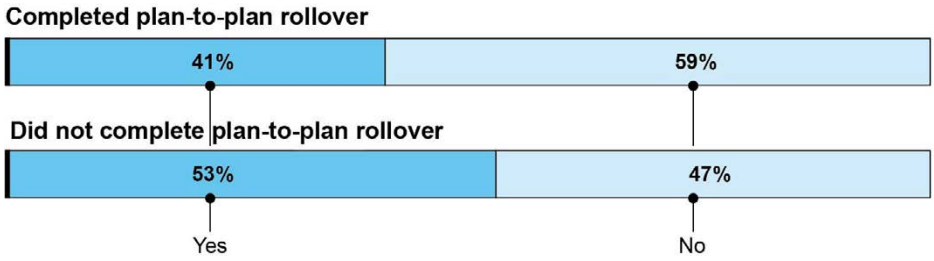
Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower.

Participant Understanding of Their Distribution Options Remains a Challenge, Despite Treasury's Required Notices for 401(k) Participants, Based on Our Survey

Our survey showed that participants face challenges when making decisions about their distribution options. Many participants eligible for a plan-to-plan rollover were not aware that they are generally able to leave retirement savings greater than $5,000 ($7,000 after December 31, 2023) in their plan after they leave their job, which can hinder participants from making informed decisions about their plan savings.[125] When asked about their understanding of what they could do with their plan savings after they left their job, about 53 percent of all eligible 401(k) participants—did not know they had the option to leave their savings in their old plans (see fig. 17).

Figure 17: GAO Estimates of Whether 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover Were Aware of the Option to Leave Their Savings in Their Old Plan



Source: GAO survey of 401(k) participants. | GAO-24-103577

[125] Written consent of the participant is generally required before the commencement of the distribution of any portion of an accrued benefit if the present value of the non-forfeitable total accrued benefit is greater than the cash-out limit of $5,000. 26 C.F.R. § 1.411(a)-11(c)(3)

Accessible Data for Figure 17: GAO Estimates of Whether 401(k) Plan Participants Who Did and Did Not Complete a Plan-to-Plan Rollover Were Aware of the Option to Leave Their Savings in Their Old Plan

	Yes	No
Completed plan-to-plan rollover	41%	59%
Did not complete plan-to-plan rollover	53%	47%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower.

As already discussed, when 401(k) plan participants leave their job, they generally have four options for their plan savings:

(1) leave their savings in their former employer's plan,

(2) consolidate their savings by rolling it over into a new plan sponsored by their new employer (i.e., a plan-to-plan rollover),

(3) roll over their savings into an Individual Retirement Account (IRA), or

(4) take a lump sum distribution of their plan savings (i.e., a "cash-out").

We previously noted in our 2013 work[126] on rollover challenges that the 402(f) Notice requirements do not require plans to inform participants that they can leave their savings in their old plan.[127] As a result, participants may continue to base retirement account decisions on the three other options discussed in the 402(f) Notice.

401(k) participants also do not fully understand their distribution options and its tax consequences even though plans are required to provide them

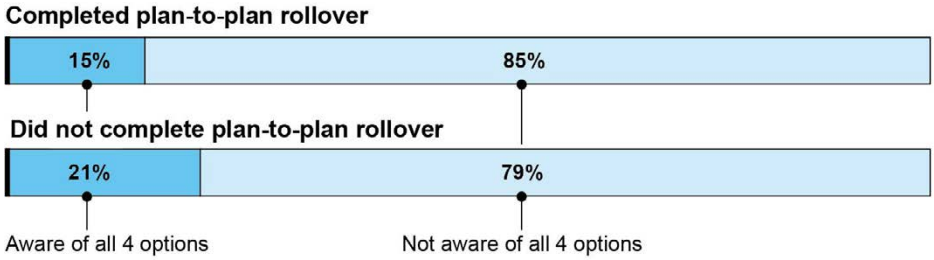
[126] GAO-13-30.

[127] The "402(f) special tax notice" explains the tax implications of the different distribution options, including explanation of the rollover rules, the special tax treatment for cash-outs (also called lump-sum distributions), and the mandatory withholding of 20 percent of distributions (including those that result in an indirect rollover). 26 U.S.C. § 402(f)(1).

with the 402(f) Notice before they receive a distribution.[128] For example, an estimated 82 percent of eligible 401(k) participants were not aware of all four distribution options according to our survey. We asked participants about their understanding of their distribution options at the time they made a decision about their plan savings (see fig. 18).

[128] The "402(f) special tax notice" requires plan administrators to provide plan participants with a written document describing the tax implications of the different distribution options. 26 U.S.C. § 402(f)(1).

Figure 18: GAO Estimates of 401(k) Participants' Awareness of All Four of Their Distribution Options at the Time They Made a Decision about Their Plan Savings



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 18: GAO Estimates of 401(k) Participants' Awareness of All Four of Their Distribution Options at the Time They Made a Decision about Their Plan Savings

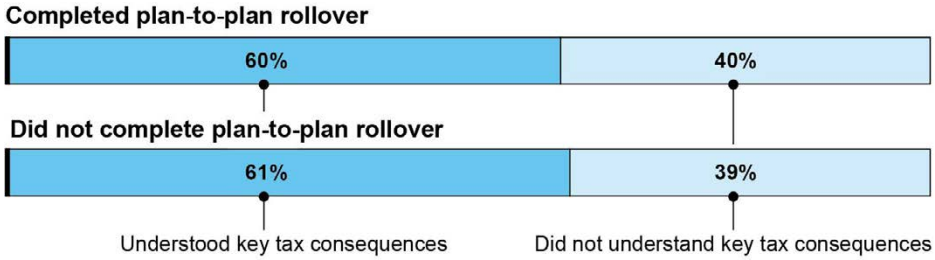
	Aware of all 4 options	Not aware of all 4 options
Completed plan-to-plan rollover	15%	85%
Did not complete plan-to-plan rollover	21%	79%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower.

About 40 percent of all eligible 401(k) participants did not understand the tax consequences of their distribution options (see fig. 19). Specifically, we asked whether participants understood that: (1) the tax-deferred status of their savings is maintained if they leave their savings in the plan, roll over to another plan, or roll over to an IRA; and (2) cash-outs are subject to a 20 percent tax withholding and an additional 10 percent tax for early distribution for those under age 59 ½. Further, only about 38 percent of eligible 401(k) participants indicated they understood the tax implications applicable to indirect rollovers. Specifically, we asked whether participants understood that "if [they] cash-out their plan savings and then decide to rollover their account balance to another plan, [they] must add additional funds to make up for federal taxes that were withheld and deposit the savings into the new plan within 60 days to avoid taxes and potential penalties."

Figure 19: GAO Estimates of 401(k) Participants' Understanding of the Key Tax Consequences of Their Distribution Options



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 19: GAO Estimates of 401(k) Participants' Understanding of the Key Tax Consequences of Their Distribution Options

	Understand key tax consequences	Did not understand key tax consequences
Completed plan-to-plan rollover	60%	40%
Did not complete plan-to-plan rollover	61%	39%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower.

Our survey also found that of participants who received "unsolicited written information" (used as a proxy for the 402(f) Notice) from their old plan after leaving their jobs, about one-third received it before they made a decision about their 401(k) savings, but about 15 percent received it after they made a decision (see fig. 20). Plans are required to provide the 402(f) notice to a participant at a minimum of 30 days before they make a distribution—such as for a rollover or cash-out—which typically occurs after the participant makes a request.[129] However, IRS regulations allow separated participants to waive their right to the minimum 30 day 402(f) Notice review period if they provide a written acknowledgement to the

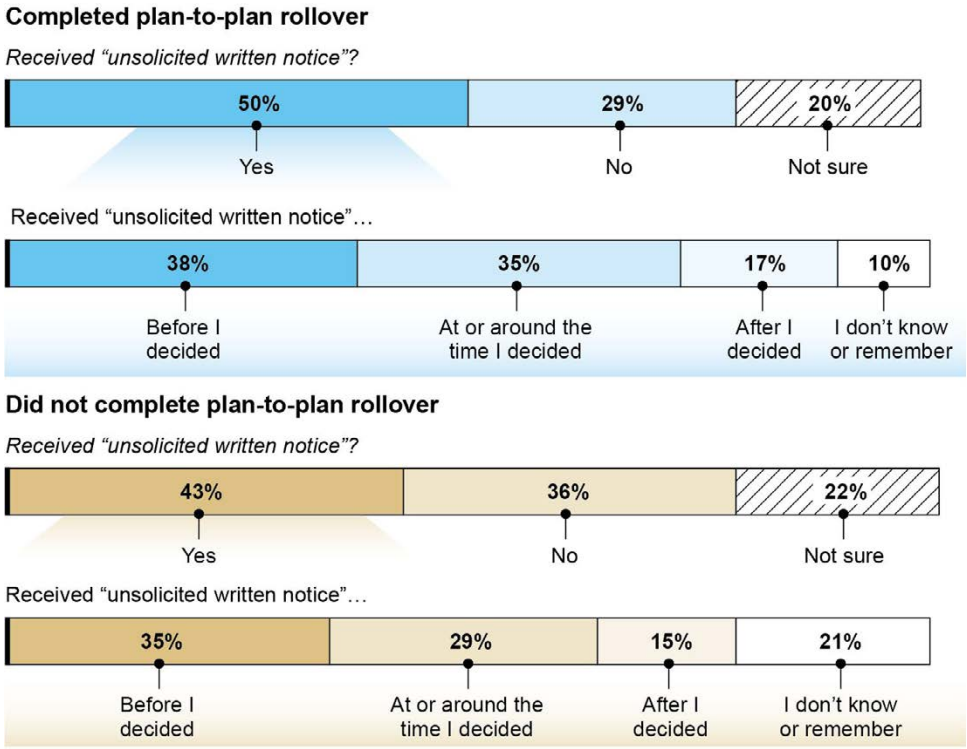
[129] A reasonable period of time allowed for a plan administrator to provide the 402(f) Notice to a participant is no less than 30 days (subject to waiver) and no more than 180 days before the date on which the distribution is made. 26 C.F.R. § 1.402(f)-1, Q/A-2, Pub. L. No. 109-280, § 1102, 120 Stat. 780, 1056-57. Unless a separated participant has an account balance of $5,000 or less and has their savings forced-transferred out of the plan, the participant needs to request a distribution in order for the date of distribution to be determined. Beginning after December 31, 2023, the threshold for account balances subject to forced-transfers increases to $7,000 or less.

plan.[130] Although a waiver can be beneficial to participants that understand their distribution options and the associated tax consequences, many separated participants have made a decision about their plan savings when they make a distribution request. As a result, the likelihood that participants who do not understand the entirety of their distribution options and associated tax consequences will delay the fulfilment of their own request by at least 30 days (by not signing a waiver of the mandated review period), in order to read and consider the contents of the 402(f) Notice, may be low. Participants who receive the 402(f) Notice and waive their right to the minimum 30-day review period, enabling them to receive their distribution immediately, could effectively negate the value of the information in the Notice.[131]

[130] If a plan administrator provides a plan participant with a summary of the section 402(f) notice and the participant requests a distribution after receiving the summary, a distributee can waive the timing requirements for a distribution, that limits distributions from occurring no less than 30 days before the date of a distribution. 26 C.F.R. § 1.402(f)-1, Q/A-2, Q/A-5.

[131] The SECURE 2.0 Act contains a provision for GAO to examine the 402(f) notice. Pub. L. No. 117-328, div. T, § 336, 136 Stat. 4459, 5373.

Figure 20: GAO Estimates of Whether and When Separated 401(k) Plan Participants Received "Unsolicited Written Information" About the Tax Consequences of Their Distribution Options



Source: GAO survey of 401(k) participants. | GAO-24-103577

Accessible Data for Figure 20: GAO Estimates of Whether and When Separated 401(k) Plan Participants Received "Unsolicited Written Information" About the Tax Consequences of Their Distribution Options

Completed plan-to-plan rollover:

- Received "unsolicited written notice"?
  - Yes, 50%
    - Received "unsolicited written notice"…
      - Before I decided, 38%
      - At or around the time I decided, 35%
      - After I decided, 17%
      - I don't know or remember, 10%

- No, 29%
- Not sure, 20%

Did not complete plan-to-plan rollover:

- Received "unsolicited written notice"?
  - Yes, 43%
    - Received "unsolicited written notice"…
      - Before I decided, 35%
      - At or around the time I decided, 29%
      - After I decided, 15%
      - I don't know or remember, 21%
  - No, 36%
  - Not sure, 22%

Source: GAO survey of 401(k) participants. | GAO-24-103577

Note: In reference to the 402(f) Notice requirements, survey respondents were asked whether they received "unsolicited written information" about the tax consequences of their distribution options from their old plan at or around the time they left their jobs. All percentage estimates from GAO's nationally-representative survey of 401(k) participants who were eligible to complete a plan-to-plan rollover in the prior 3 years are subject to sampling error. For these estimates, the margin of error at the 95 percent confidence level is plus or minus 10 percentage points or lower. Due to rounding, percentages do not always add up to 100 percent.

As our survey results show, participants struggle with the information plan sponsors provide to them about their distribution options. In addition to not having information on the option to leave their retirement savings in their old plan, many industry experts previously told us that 401(k) participants could use clearer and more concise information about the tax consequences of each of their distribution options because the 402(f) Notice is too complex for most people to understand.[132]

The IRC requires plan sponsors to provide a 402(f) Notice to their participants within a "reasonable period of time" before making an eligible rollover distribution to inform them of the tax implications of three distribution options— rolling over to another plan, rolling over to an IRA, and taking a cash-out distribution.[133] However, participants are often

[132] GAO-13-30.

[133] 26 C.F.R. § 1.402(f)-1, Q/A-2. The "402(f) special tax notice" does not require information about an option of a participant leaving savings in an old plan. See 26 U.S.C. § 402(f)(1).

unaware of the option of being able to leave their retirement savings in their old plan as they change jobs. Section 402(f) of the IRC also requires 401(k) plan administrators to provide participants with information about their options for managing their 401(k) plan savings before making an eligible distribution.[134] Treasury regulations require plans to provide participants with a general description of the material features of the optional forms of benefit available under the plan before the participant consent requirement is satisfied. However, the notifications that 401(k) plans must send to participants prior to an eligible distribution under the IRC are not required to specifically inform participants about the option to leave their savings in their old plan.

- The "402(f) Special Tax Notice" (often referred to as the "Rollover Notice" or 402(f) Notice) must inform participants about the tax consequences of three options for their plan savings—rolling over to another plan, rolling over to an IRA, and taking a cash-out distribution.[135] However, IRC section 402(f) does not require the Notice to participants to include information about the option to leave savings in an old plan, and IRS's 402(f) Model Notice does not include language that identifies all four distribution options (see fig. 21).[136]
- The written notice of the Right to Defer a Distribution must provide participants who leave their jobs with more than $5,000 ($7,000 after December 31, 2023) in their 401(k) account with information about their right to defer taking a distribution—such as a rollover or withdrawal—from their account.[137] The regulations for the notice

[134] Plan administrators are required to provide a written explanation to plan participants of the tax consequences of their distribution options. 26 U.S.C. § 402(f)(1). A participant must generally be informed in writing of the right, if any, to defer receipt of the distribution if they have $5,000 or more in their account. 26 C.F.R. § 1.411(a)-11(c)(3). The SECURE 2.0 Act included a provision that increases the threshold for account balances from $5,000 to $7,000, beginning with distributions made after December 31, 2023.

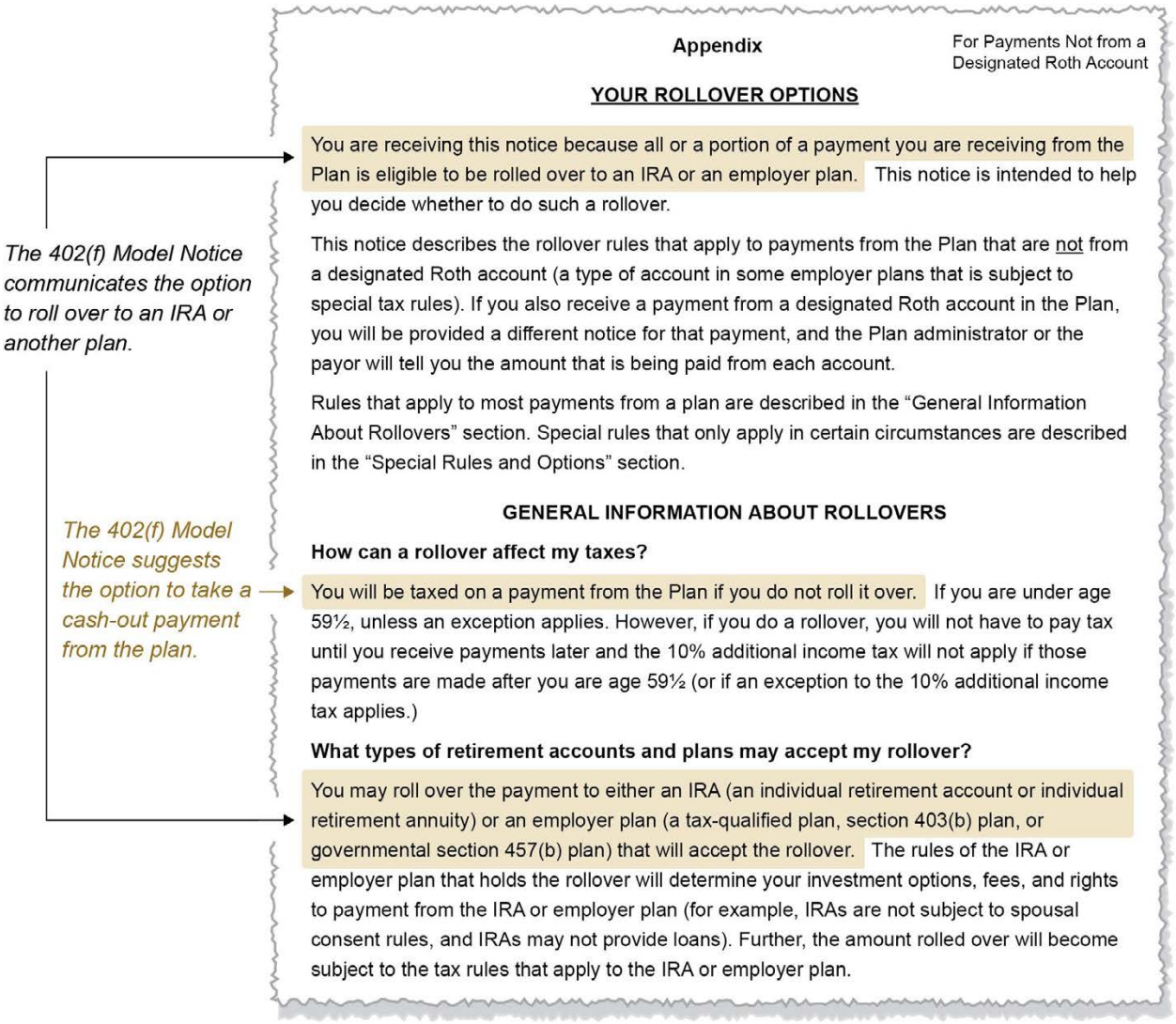
[135] Separating participants are also permitted to rollover their savings into an annuity, which is an insurance product outside of an employer-based plan. While transferring retirement savings to an annuity is an option to separating participants, after an annuity is purchased, participants typically are no longer plan participants and their annuity benefit is the responsibility of the insurance company from which the annuity is purchased. GAO-13-30.

[136] The "402(f) special tax notice" does not require information about an option of a participant leaving savings in their old plan. See 26 U.S.C. § 402(f).

[137] 26 C.F.R. § 1.411(a)-11(f).

imply, but do not specify, that participants can leave their savings in their old plan.

Figure 21: The IRS Model 402(f) Notice Includes Information about Rollovers and Cashouts



Source: IRS 402(f) Model Notice. | GAO-24-103577

Accessible Text for Figure 21: The IRS Model 402(f) Notice Includes Information about Rollovers and Cashouts

Replica of "Your Rollover Options" appendix page highlighting where the 402(f) Model Notice:

- communicates the option to roll over to an IRA or another plan, and
- suggests the option to take a cash-out payment from the plan.

Source: IRS 402(f) Model Notice. | GAO-24-103577

Treasury officials told us it can be challenging to make the 402(f) Notice easier to understand because much of the content in the 402(f) Notice requirements is mandated based on statute or rules.[138] Treasury officials also told us they periodically update the 402(f) requirements and the 402(f) Model Notice to address issues such as legal changes or to provide additional clarity, in coordination with DOL (which has oversight responsibilities for retirement plans under ERISA). In 2013, we reported that federal regulations do not ensure that plans provide a written 402(f) Notice to separated participants in a timely manner useful to inform their distribution decisions.[139] Treasury officials said the agency may lack the statutory authority to amend the 402(f) Notice timing requirements to distribute the notice at the point of a participant's separation from service.[140] As of October 2023, Treasury has not taken additional action to help ensure participants can receive timely information.[141]

According to the IRC, section 402(f) notices must be designed to be easily understood and explain required information.[142] By providing clarifying information or taking other action it deems appropriate, such as updating the 402(f) Model Notice to include language about deferring a

[138] Plan administrators are required to provide a written explanation to plan participants of the tax consequences of their distribution options. 26 U.S.C. § 402(f)(1).

[139] 26 C.F.R. § 1.402(f)-1, Q/A-2,

[140] The timing for providing the notice is 30 to 180 days before the date on which the distribution is made.

[141] Federal standards for internal control require federal agencies to obtain and use quality information and to communicate this information to external parties that can help the agency achieve its objectives and address related risks. GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, D.C.: Sept. 2014).

[142] The section 402(f) notice must be designed to be easily understood and must explain the following: the rules under which the distributee may elect that the distribution be paid in the form of a direct rollover to an eligible retirement plan; the rules that require the withholding of tax on the distribution if it is not paid in a direct rollover; the rules under which the distributee may defer tax on the distribution if it is contributed in a rollover to an eligible retirement plan within 60 days of the distribution; and if applicable, certain special rules regarding the taxation of the distribution as described in section 402(d) (averaging with respect to lump sum distributions) and (e) (other rules including treatment of net unrealized appreciation). 26 C.F.R. § 1.402(f)(1).

distribution, Treasury can ensure participants receive comprehensive information on all four distribution options. Treasury can also take further actions to ensure participants receive clearer and more concise information about each distribution option and its tax consequences, and ensure the information is provided to participants when they leave their job and become eligible to take a distribution. Such action by Treasury would allow plan participants to fully consider the implications of their distribution options before they make a decision about their plan savings.

Information contained in the 402(f) Notice is critical for participants because it can provide information about each distribution option and its tax consequences. Without an adequate understanding of each distribution option and associated tax consequences, participants: (1) cannot fully evaluate the advantages and disadvantages of each distribution option, (2) cannot make fully informed decisions that support their retirement security, and (3) risk unplanned tax consequences for their savings. For example, participants who leave their jobs and choose to cash-out 401(k) plan savings may not know that the option will result in income taxes, possibly an additional early withdrawal tax, and the lost opportunity to grow their savings tax-deferred. Similarly, participants who want to maintain the tax-deferred status of their 401(k) savings may benefit from understanding that they can do so by leaving their savings in the plan or rolling it over to another plan or IRA. For participants who want to roll over their 401(k) savings to another plan, an incorrect understanding of the differing tax implications between a direct and indirect rollover can be costly.

Additionally, without information about their ability to leave their retirement savings in their old plan, participants may continue to base retirement account decisions solely on the three other options discussed in the 402(f) Notice—rolling over to another plan, rolling over to an IRA, and taking a cash-out distribution. Participants can benefit from knowing about the fourth option of leaving their savings in their old plan, especially if a participant does not have another plan to which they can roll over their savings. As we previously reported, savings left in an old 401(k) will:

- maintain its tax-deferred status, which would not occur if the savings were cashed out of the account;
- maintain the ERISA fiduciary standard of care for plan fiduciaries to work in the sole interest of participants, which would not be the standard of care for savings transferred to an IRA; and

- likely result in lower administration and investment fees than in a retail IRA, even if an IRA may offer a broader selection of investment options.[143]

DOL Can Also Help 401(k) Participants Mitigate Their Challenges with Understanding Their Distribution Options

Under ERISA, DOL has its own authority to promulgate regulations or issue guidance to plan fiduciaries to help protect participants' retirement savings.[144] Under Title 1 of ERISA, DOL is tasked with broad responsibilities to protect the interests of plan participants and their beneficiaries. DOL fulfills its responsibilities by issuing regulations and guidance, and also educating plan participants, beneficiaries, and plan sponsors. The Secretary of Labor also has authority to appoint an ERISA Advisory Council (EAC) whose duties are to advise the Secretary and submit recommendations regarding the Secretary's functions under ERISA. Additionally, whenever the Secretary of Labor and the Secretary of the Treasury are required to carry out provisions relating to the same subject matter (as determined by them), they are to consult with each other and develop rules, regulations, practices, and forms, to the extent appropriate for the efficient administration of such provisions.[145]

Based on its own authority in ERISA, DOL can take action to help plan participants understand the 402(f) information or clarify the information participants are required to receive, in addition to any actions taken by Treasury or in coordination with Treasury. For example:

[143] GAO-13-30.

[144] 29 U.S.C. §§ 1001-1461.

[145] 29 U.S.C. § 1204.

- DOL can take steps to help participants better understand all four distribution options.[146] In response to our 2013 recommendation for DOL to develop a concise written summary of a participant's four distribution options, DOL indicated that it would "evaluate regulatory approaches to address the recommendation within the constraints of its existing statutory authority."[147] In 2014, the EAC examined how to encourage participants to keep their tax-deferred retirement savings in a workplace plan for the duration of their careers and made recommendations to DOL.[148] To facilitate lifetime plan participation, EAC in 2015 recommended DOL consider using sample materials it drafted that explained participants' four options for their plan savings, including the option to leave their savings in their old plan.[149] The EAC's 2015 sample materials aligned with our 2013 recommendation for DOL to develop materials for separating participants. However, as of September 2023, DOL has not taken regulatory action or issued guidance that could provide plans or participants with a concise written summary to assist separated participants in understanding all of their distribution options. As our survey shows, most separated participants eligible for a rollover are not aware of all four of their distribution options.
- DOL can ensure that participants receive clear and straightforward information about their distribution options. Following our 2013 report, DOL consulted with the EAC in 2014 and 2015 on issues related to

[146] GAO-13-30. We closed this prior recommendation as implemented because DOL consulted the EAC in 2015 on ways the council could help the department in this area. However, we believe DOL can take further action because plan sponsors continue to not be required to provide participants with a concise written summary explaining their four distribution options when they separate from an employer. The 2015 EAC drafted for DOL's consideration, tips, principals, and sample communications for plan sponsors to consider when communicating with participants eligible for distributions of their savings. The EAC-drafted materials were generally aligned with our 2013 recommendation. The EAC indicated that these draft materials could be further enhanced if reviewed by plan sponsors, communications experts, and academics, as well as through test marketing prior to release. However, as of September 2023, DOL has not taken regulatory action or issued guidance in response to the EAC's 2015 findings.

[147] GAO-13-30.

[148] GAO-13-30. ERISA Advisory Council: Issues and Considerations Surrounding Facilitating Lifetime Plan Participation. November 2014.

[149] ERISA Advisory Council: Model Notices and Plan Sponsor Education on Lifetime Plan Participation. November 2015.

the complexity of disclosures.[150] The EAC reported in 2014 that the 402(f) Notice is "lengthy and complicated" and recommended the development of model, plain language communications. In 2015, the EAC reported that the 402(f) Notice is "long and confusing" and may contradict the objective of lifetime plan participation by encouraging some participants to transfer assets out of the employer-sponsored plan environment. The EAC recommended in 2015 that DOL explore a joint-agency effort with Treasury to update the 402(f) Notice.[151] It also developed tips, principles, and sample participant communications to help the DOL encourage plan sponsors to develop "model, plain language communications that can be provided to participants…to help them decide what to do with retirement assets, particularly at job change…."

- DOL can also ensure that participants receive timely information about their distribution options sufficient to inform their decision about their savings prior to making an eligible distribution. DOL also does not require or offer guidance to plans to provide timely information to 401(k) participants about each of their distribution options. In response to our 2013 work, DOL indicated that it would evaluate regulatory approaches under its existing statutory authority.[152] The EAC in 2014 also considered ways to encourage participants to keep their tax-deferred retirement savings in an employer-sponsored retirement plan.[153] In 2015, the EAC reported that one of the most effective times to engage participants with information about their retirement savings is when they leave their job.[154] As discussed, the

[150] GAO-13-30. ERISA Advisory Council: Issues and Considerations Surrounding Facilitating Lifetime Plan Participation. November 2014. ERISA Advisory Council: Model Notices and Plan Sponsor Education on Lifetime Plan Participation. November 2015. ERISA Advisory Council: Participant Plan Transfers and Account Consolidation for the Advancement of Lifetime Plan Participation. November 2016.

[151] ERISA Advisory Council: Model Notices and Plan Sponsor Education on Lifetime Plan Participation. November 2015.

[152] GAO-13-30.

[153] ERISA Advisory Council: Issues and Considerations Surrounding Facilitating Lifetime Plan Participation. November 2014.

[154] ERISA Advisory Council: Model Notices and Plan Sponsor Education on Lifetime Plan Participation. November 2015.

EAC in 2015 provided sample materials for DOL to consider making available to separated participants.[155]

As of September 2023, DOL has not taken regulatory action or issued guidance in response to EAC's recommendations to help plans develop clear and concise communications to inform separated participants about their four distribution options, developed a written summary for separating participants explaining their four distribution options or implemented EAC's 2015 recommendation. Nor has DOL provided plans with any information, such as guidance, that would encourage plans to provide such information to participants in a timely manner.[156] When we asked DOL officials about the EAC recommendations made in the 2014 and 2015 reports, they said that they are not obligated to implement the recommendations EAC offers. DOL officials stated that while the EAC may provide specifics on how to implement their recommendation, DOL may decide not to implement the recommendations because it may not have the capacity or may decide the issues could be handled in ways other than the EAC recommendations.

Federal standards for internal control require federal agencies to provide external parties with quality information on a timely basis and externally communicate quality information to achieve their goals, objectives and address related risks.[157]

Our survey results show that EAC's 2015 recommendations remain valid. By taking action to either provide guidance or implement EAC's recommendations, DOL could help ensure participants understand all their distribution options and make more informed decisions about their retirement savings after separating from their employer.

Conclusions

Based on recent BLS data, workers may change jobs up to 10 or more times during a 40-year career and accumulate as many retirement

[155] ERISA Advisory Council: Model Notices and Plan Sponsor Education on Lifetime Plan Participation. November 2015.

[156] ERISA Advisory Council: Model Notices and Plan Sponsor Education on Lifetime Plan Participation. November 2015.

[157] GAO, *Federal Internal Control Standards*, GAO-14-704G, (Washington, D.C.: Sept. 2014).

accounts that they would need to track and manage. Our nationally-representative survey of 401(k) participants eligible for a recent plan-to-plan rollover and our prior work show that participants continue to struggle to manage the 401(k) savings they earn over the course of a career, particularly if they have multiple retirement accounts from former jobs. These challenges can include issues around missing, inactive accounts from former jobs; lack of automatic consolidation options, such as automatic plan-to-plan rollovers; and deciding what to do with accumulated plan savings upon leaving a job. If workers do not make informed decisions, they can significantly diminish their ability to achieve a financially secure retirement.

Provisions in the SECURE 2.0 Act will help mitigate challenges facing participants, but address specific issues that may not benefit all participants. For example, the creation of the Retirement Savings Lost and Found should make it easier for participants to claim their benefits from an inactive plan by providing participants with contact information about their plan administrator. Similarly, the IRC exemption for certain automatic portability transactions can help participants with small account balances subject to force-transfer IRAs consolidate their savings into their new plan.

While the SECURE 2.0 Act will lead to improvements, participants—especially those who are unengaged with their accounts—could benefit from additional mechanisms that could help them grow their savings. Additional congressional action could further help 401(k) participants preserve their retirement savings. For example, assigning and granting authority to:

- a federal agency to develop and oversee a comprehensive, easy-to-use pension dashboard that can provide participants' information to them in one location would reduce the burden on plan sponsors and providers, who must otherwise track or manage lost accounts or missing participants; and
- DOL and IRS to establish a system to facilitate automatic plan-to-plan rollovers, can help participants maintain consolidated savings as they change jobs to an employer who accepts rollovers without having their savings be eroded by fees.

PBGC, DOL, and Treasury can also assist Congress' efforts. Currently, areas exist within each agency's jurisdiction where participants could benefit from additional agency actions:

- Without a PBGC study and report to Congress on the feasibility of amending current law to allow active 401(k) plans to force-transfer small inactive account savings, PBGC and Congress will not have the information needed to determine if expanding PBGC's program is an option for helping participants with small inactive accounts.
- Until DOL takes steps to explore how the agency can encourage the adoption of secure electronic data standards that can help standardize rollovers, participants will continue to experience difficulties managing and consolidating their retirement savings.
- Without taking action, such as amending the 402(f) Notice regulations or providing clarifying information to the Notice, Treasury is missing an opportunity to ensure that participants are receiving easily-understandable information about all of their distribution options—at the point in time when a participant is thinking about taking action with retirement savings.
- Without DOL taking action, such as issuing guidance to provide participants with comprehensive information about all four main distribution options and its associated tax consequences, participants will not have complete information to make decisions about the benefits and tradeoffs of their options.

By taking action, PBGC, DOL, and Treasury can help make it easier for more than 90 million 401(k) participants to track, consolidate, and manage their plan savings when they change jobs to help them secure their retirement.

Matters for Congressional Consideration

We are recommending the following two matters for congressional consideration:

Congress should consider enacting legislation to assign and grant authority to a federal agency to establish and oversee a secure website, commonly known as a pension dashboard, that allows plan participants to view in one place information about all of their employer-sponsored retirement savings plans. (Matter for Consideration 1)

Congress should consider legislative amendments to assign and grant authority to DOL and IRS to establish an electronic plan-to-plan rollover system that, when an individual changes jobs, automatically transfers the savings from their old employer-sponsored retirement account plan to

their new employer's plan (provided that their new plan accepts rollovers and that individuals can opt-out). (Matter for Consideration 2)

Recommendations for Executive Action

We are making a total of four recommendations, including one to PBGC, two to DOL and one to Treasury:

The Director of the PBGC should assess and report to Congress on the feasibility of amending current law to allow active 401(k) plans to transfer small inactive account balances subject to forced-transfers to the PBGC's program, currently known as the Missing Participants Program for terminated defined contribution plans. (Recommendation 1)

The Secretary of Labor should take action to implement the ERISA Advisory Council's 2016 recommendation by issuing a Request for Information to explore how the agency can encourage and support the adoption of secure electronic data standards to facilitate the processing of plan-to-plan rollovers. (Recommendation 2)

The Secretary of the Treasury should take action, such as amending the 402(f) Notice requirements and Model Notice, or providing clarifying information to the Notice to: (1) include clear information about participants' option to leave their savings in their old plan; (2) provide clearer and more concise information on each of the four distribution options and their associated tax consequences; and (3) address the timing requirements for plans to provide the 402(f) Notice, to ensure the Notice is provided to participants when they leave their job and become eligible to take a distribution. (Recommendation 3)

The Secretary of Labor should ensure that plan participants, at the time they leave their job and become eligible to take a retirement plan distribution, receive easily-understandable information about all four distribution options and their associated tax consequences. Actions that could be taken include implementing the ERISA Advisory Council's 2015 recommendation, exploring a joint-agency effort with Treasury to update the 402(f) Notice, or other steps that would help plans develop clear and concise communications to inform participants. (Recommendation 4)

Agency Comments

We provided a draft of this report to DOL, Treasury, IRS, PBGC and the Social Security Administration (SSA), for review and comment. We received technical comments from Treasury, IRS, and PBGC, which we have incorporated, where appropriate. SSA did not have comments on the report. PBGC, and DOL provided written comments on the draft report, which are reproduced in appendices IV and V, respectively.

In its written response, PBGC agreed with our recommendation for PBGC to study the feasibility of expanding its missing participants program as a means of establishing a central consolidator of small inactive 401(k) accounts. PBGC stated that it anticipates completing a study before 2025 and would consult with other agencies—including DOL, Treasury, and IRS—specifically on their ongoing work to implement related provisions enacted as a part of the SECURE 2.0 Act.

In its written response, DOL stated that it would consider two actions related to our disclosure recommendation to ensure participants receive easily understandable, timely, and comprehensive information. DOL also stated that it is engaged in joint agency efforts and that it would be appropriate for them to consider our recommendation as part of such efforts with Treasury, IRS, and PBGC, as required under the SECURE 2.0 Act. Under the act, the agencies are to study, analyze, and report to Congress on the effectiveness of their reporting and disclosure requirements before the end of 2025.

We agree that the forthcoming joint-agency study can lead to improvements in reporting and disclosure requirements for plans and participants across a range of retirement issues. We previously recommended that DOL take steps to help participants better understand all four distribution options more than 10 years ago, prior to EAC's 2015 recommendation to DOL. Further, our survey results show that EAC's 2015 recommendation for DOL to explore using sample materials it drafted that explained participants' four options for their plan savings remains valid. Given our study shows participants still face challenges with information about distribution options, we urge DOL to continue to work to implement our recommendation in order to help participants.

DOL also stated that the SECURE 2.0 Act directs DOL to issue regulations requiring plans to provide advanced notice to participants who are permitted to take lump sum distributions with specified information to

help them compare other distribution options and the potential consequences of taking a lump sum. DOL stated that it will consider our recommendation to ensure participants receive easily understandable, timely, and comprehensive information as part of that work. By doing so, DOL can help ensure participants understand all their distribution options and make more informed decisions about their retirement savings after separating from their employer.

Regarding our recommendation to support the adoption of secure electronic data standards as described in EAC's 2016 report, DOL stated that it may be premature to assess whether or how it should act on our recommendation before Treasury issues its guidance on rollovers by January 1, 2025, as required under the SECURE 2.0 Act. As we stated in the report, Treasury's upcoming guidance can help standardize rollovers. However, if Treasury's guidance does not address the development of a system based on secure electronic data standards to facilitate efficient plan-to-plan rollovers, we urge DOL to take action.

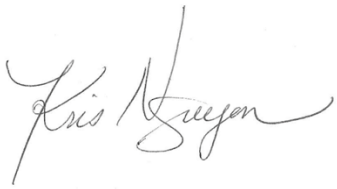
DOL also stated that as part of its current work to implement a statutory prohibited transaction exemption for "automatic portability providers" under the SECURE 2.0 Act, it is considering proposing possible standards for such providers of IRA-to-plan rollovers to safeguard portability data and remedy potential security breaches. We commend this approach and believe that an initiative to develop secure standards to safeguard data for automatic IRA-to-plan rollovers would be enhanced if conducted alongside a Request for Information for secure electronic data standards for plan-to-plan rollovers. Without continued progress towards developing secure electronic standards to facilitate efficient plan-to-plan rollovers, participants will likely continue to find the process challenging and may avoid consolidating their savings altogether.

Lastly, regarding our recommendation that the Secretary of the Treasury take action, such as to amend the 402(f) Notice requirements and Model Notice, or provide clarifying information to the Notice to: (1) include clear information about participants' option to leave their savings in their old plan, (2) provide clearer and more concise information on each of the four distribution options and their associated tax consequences, and (3) address the timing requirements for plans to provide the 402(f) Notice to ensure the Notice is provided to participants when they leave their job and become eligible to take a distribution. In its technical comments provided to GAO, Treasury stated that an update to the 402(f) Notice is currently in process and will reflect legislation and guidance issued since the last update. However, regarding the part of the recommendation that

address the timing requirements for plans to provide the 402(f) Notice, Treasury stated that there is no statutory authority to require a notice to a participant upon separation from service. Our recommendation states that Treasury should take action to address the timing issue; and Treasury can seek any venue it deems appropriate, including seeking statutory authority from Congress to address the timing. Without such action, Treasury will continue to miss an opportunity to ensure that participants are receiving easily-understandable information about all distribution options—at the point in time when a participant is facing an important decision about their retirement savings.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies of this report to the appropriate congressional committees, the Secretary of Labor, the Secretary of the Treasury, the Commissioner of the Internal Revenue Service, the Director of the PBGC, the Commissioner of the SSA, and other interested parties. In addition, the report is available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or nguyentt@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix VI.



Tranchau (Kris) T. Nguyen,
Director
Education, Workforce, and Income Security Issues

Appendix I: Objectives, Scope, and Methodology

This report examines: (1) the accessibility of 401(k) plan participants' savings during the COVID-19 pandemic in 2020 using the CARES Act options; (2) approaches other countries with workplace retirement plans use to help their participants track, manage, and consolidate savings as they change employers; and (3) challenges with 401(k) plan-to-plan rollovers and federal actions that could be taken to improve the process for plan participants.

To examine the accessibility of 401(k) plan participants' savings during the COVID-19 pandemic in 2020 using the CARES Act options, we reviewed relevant laws, regulations, and guidance to understand the requirements pertaining to participant access to plan savings. Between August and December 2020, we interviewed a non-generalizable sample of 27 retirement industry stakeholders, including plan record keepers (companies that manage participant data and transactions for plans through their administrative platform), plan consultants, plan advisors, attorneys, and retirement industry groups to understand considerations and factors that may affect whether plan sponsors offered the CARES Act access options to their participants. We interviewed stakeholders that represent or provide service to a range of plan sponsor clients, such as those that work primarily with large plan sponsors to those that focus on the small plan market.

Additionally, we conducted a non-generalizable 401(k) plan record keeper survey in 2021 to better understand 401(k) participants' access to and use of the CARES Act options during calendar year 2020, when the options were generally available. We selected record keepers to survey based on industry lists of companies ranked by their total 401(k) assets under management. To develop and test our survey, we interviewed 401(k) plan record keepers to understand how they: (1) worked with plan sponsors to offer the CARES Act options to participants and (2) track participant use of traditional and CARES Act options. We sent our survey instrument to 401(k) plan record keepers and provided them with technical clarification on our request, as needed, to help ensure we could collect data they readily had available that we could aggregate across providers and report.

To help ensure our survey reflected a diverse market of 401(k) plans across plan size, we contacted 401(k) record keepers from three separate top 10 lists of 401(k) record keepers ranked by: (1) total 401(k) assets under management, (2) the greatest number of 401(k) plans with assets less than $10 million, and (3) the greatest number of 401(k) plans with assets greater than $100 million, as published in a survey by Plan Sponsor Magazine.[1] We also contacted record keepers that were not on the industry lists to obtain a greater representation of plans in our survey. In total, we sent our questionnaire to 21 plan record keepers, 15 of whom we also interviewed. We requested summary data on the 401(k) plans they service, their plans' adoption of the CARES Act options, and the access to and use of these CARES Act options by 401(k) participants serviced by their plans through the end of 2020.

We compiled and analyzed data provided to us by 14 record keepers (out of a total of 21 record keepers we contacted) that responded to our survey questionnaire. Their combined data created a non-generalizable sample of 401(k) plans, representing more than 220,000 plans, about 46 million participants, and more than $4.6 trillion in total assets, as of the end of 2020.[2] We determined the record keeper data were reliable for our purposes of gaining an understanding of the availability and use of the CARES Act options among our sample of 401(k) plans.

Second, to examine the approaches other countries with workplace retirement plans use to help their participants track, manage, and consolidate savings as they change employers, we identified six countries: Australia, Belgium, Denmark, the Netherlands, Norway, and Sweden. We selected these countries because they have: (1) a pension dashboard that allows workers to track their workplace retirement savings, (2) workplace retirement plan savings that can be portable, and (3) other approaches taken to help workers consolidate their workplace retirement savings. In addition, we interviewed experts in the European Union (E.U.) and the United Kingdom (U.K.) because both the U.K. and the E.U. are: (1) in the process of implementing their own pension

[1] PLANSPONSOR, 2020 Recordkeeping Survey, accessed August 12, 2020, https://www.plansponsor.com/research/2020-recordkeeping-survey/8/#Top%20Recordkeepers.

[2] In 2020, employers sponsored more than 620,000 401(k) plans with active participation from more than 72 million workers. The assets held in these plans totaled more than $7 trillion. The U.S. Department of Labor Employee Benefits Security Administration, *Private Pension Plan Bulletin: Abstract of 2020 Form 5500 Annual Reports*, Version 1.0 (Washington, D.C.: Oct. 2022).

dashboards, (2) have more comparably-sized population with the U.S., and (3) were discussed in our 2014 report for initiating efforts to help participants track and consolidate their workplace retirement savings.[3]

In each country, we interviewed: (1) officials representing the pension dashboard; (2) government officials with oversight responsibility for workplace retirement plans; and (3) retirement stakeholders, such as those representing the retirement industry trade group, plan providers, and labor or social partners involved in negotiating or operating plans on behalf of their members.

For each of our six selected countries, we reviewed background information and materials provided by stakeholders. We did not conduct an independent legal analysis to verify the information provided about the laws or regulations of the countries selected for this review. Instead, we relied on appropriate secondary sources and interviews with relevant officials, and other sources to support our work. We submitted key report excerpts to officials in each of our six selected countries for their review and verification, and we incorporated their technical corrections as necessary.

Lastly, to examine challenges with 401(k) plan-to-plan rollovers and any action federal regulators could take to improve the process for plan participants, we interviewed officials from the DOL, Treasury, IRS, PBGC, and SSA. We reviewed agency documentation, including available guidance and regulations, related to the rollover process.

In addition, we surveyed 401(k) plan participants who, within the last 3 years, completed a rollover of their tax-deferred 401(k) savings to another tax-deferred 401(k) plan, or those who were eligible but did not complete such a plan-to-plan rollover. The survey specifically excluded Roth 401(k) plans, 403(b) plans, and 457 plans. The survey questions asked about participants' experience managing their 401(k) plan retirement savings after leaving their employer, including information they received from their plans about their options, their understanding of their options, and their decision-making with respect to what options they took. For those who completed a plan-to-plan rollover, the survey questions asked participants about their experience and impression with various aspects of the rollover

[3] GAO-15-73.

process. The survey results included information on participants' demographic and financial characteristics.

We analyzed survey responses for 1,043 participants (551 who completed a rollover and 492 who did not complete a rollover), which are generalizable to the population of 401(k) participants in the U.S. who were eligible to complete a rollover within the last 3 years. See appendix II for a technical discussion of the survey methodology. See appendix III for a reproduction of the survey instrument.

Appendix II: Technical Description of GAO's Survey of 401(k) Participants

We conducted a questionnaire survey of plan participants concerning their experience managing their tax-deferred 401(k) plan retirement savings after leaving their employer, including their receipt of information from their plans or employers about their options, their understanding of their options, their decision-making with respect to what options they took, and thoughts about what could have helped them with the process. We designed the survey questions which were administered by IPSOS Public Affairs (IPSOS) in February 2022 and between June and July 2022 to a nationally-representative sample of 1,043 plan participants drawn from their pre-recruited KnowledgePanel web survey panel.

Questionnaire Design

The primary purpose of our survey was to determine what, if any, challenges 401(k) participants faced recently with respect to the plan-to-plan rollover process. To do so, we surveyed 401(k) plan participants who, within the last 3 years: (1) completed a rollover of their savings to another 401(k) plan, or (2) were eligible for but did not complete a plan-to-plan rollover. The survey asked participants about their tax-deferred 401(k) plan savings and specifically excluded Roth 401(k) plans, 403(b) plans, and 457 plans. The survey questions asked about participants' experiences managing their 401(k) plan retirement savings after leaving their employer, including their receipt of information from their plans or employers about their options; understanding of their options, their decision-making with respect to what options they took; and thoughts about what could have helped them with the process. The survey also asked participants hypothetical questions about approaches to help them track, manage, and consolidate their plan savings. For participants who completed a plan-to-plan rollover, the survey questions also asked about their experience and impression with various aspects of the rollover process. The survey results included information on participants' demographic and financial characteristics.

We took several steps to develop the survey questions:

- To determine 401(k) participants' eligibility to take the survey, we constructed an initial set of questions followed by a series of up to 90 multiple-choice questions. We differentiated the multiple-choice questions based on whether (1) respondents completed a recent plan-to-plan rollover, and (2) the specific circumstances of their experience with the process.
- To test and revise draft versions of the survey questions, we conducted two series of cognitive pretest interviews with 401(k) participants belonging to both subgroups—those who did and those who were eligible but did not recently complete a plan-to-plan rollover. The first series included pretesting the survey with 13 plan participants who were presented with and responded to questions during the interview and who were selected to generally reflect a range of experiences with the rollover process. The second series included pretesting the survey with 9 plan participants who completed a programmed survey instrument online and were immediately interviewed following the online survey. IPSOS recruited the 9 plan participants from their KnowledgePanel web survey panel. Pretest participants answered the questions in an unaided, realistic setting. GAO analysts asked follow-up questions to determine how participants interpreted the questions and arrived at their answers. Based on pretest results of successive versions of the questionnaire, we made changes to improve the questions' clarity and to reduce the survey's burden.

Sample Design

We designed the survey to make generalizable statements about a target population of non-institutionalized adults aged 18 and older who are 401(k) plan participants and were eligible to roll over their plan savings to another 401(k) plan after changing jobs in the past 3 years. We contracted with IPSOS Public Affairs to administer our questionnaire to a statistically generalizable sample that would be as representative of our target population as practicable. The survey was conducted on KnowledgePanel, a probability-based web panel designed to be representative of the United States. IPSOS fielded the survey to a representative sample of 24,703 households from the KnowledgePanel and invited one adult from each household to participate in this survey. Each participant was asked to answer a series of screening questions designed to identify eligible participants. From the 14,913 participants who completed the screening questions, IPSOS obtained 1,043 qualified

responses (551 who completed a rollover and 492 who did not complete a rollover) from eligible participants to the survey.[1]

Fieldwork

The panelists from the KnowledgePanel qualifying for and being drawn into our sample as described above were then invited to begin the survey. IPSOS began emailing survey invitations to the sample and collecting responses on February 2, 2022 to February 24, 2022, and from June 30, 2022 to July 28, 2022. IPSOS emailed multiple reminders to those sample members not yet responding during this fielding period. IPSOS provided a $20 cash-equivalent incentive to all survey respondents who completed the survey. The questionnaire was offered only in English and only accessible through the web mode of the KnowledgePanel platform.

To properly measure the extent of successful data collection from the sample, a response rate has to account for all sources of nonresponse at each stage of the panel recruitment, management, and survey administration process. Because the KnowledgePanel is a probability-based panel, all panelists have a known probability of selection. As a result, it is possible to calculate a cumulative response rate that considers all sources of nonresponse. The cumulative response rate of 3.8 percent for this study accounts for the outcomes of all the sample selections and data collection attempts made across these stages, by multiplying the rates of:

- average panel recruitment rate (10.6%)
- average household profile rate (59.2%), and
- study-specific completion rate (60%).

We analyzed survey responses for 1,043 participants (551 who completed a rollover and 492 who did not complete a rollover). Weighted estimates derived from these responses are generalizable to the population of 401(k) participants in the U.S. who were eligible to complete a rollover within the last 3 years.

[1] The 1,043 qualified responses exclude 59 cases that were dropped for skipping 20 percent or more of the survey questions or completing the survey in less than one-quarter of the median survey duration for a given survey path.

Response Weighting

Because our sample was the cumulative result of systematic selections – across the stages of KnowledgePanel creation, the creation of our sampling frame, and the selection of our sample itself – each member of our sample had a known, nonzero probability of being selected from the entire study population into our survey. Once each of our survey responses was multiplied by a final weight that reflected those probabilities and that made up for sample members who did not respond, the aggregate of these weighted responses became our estimates of the percentages and totals that would be found in the entire study population.

The final survey weights were derived by first computing a design weight for KnowledgePanel panelists to reflect their selection probabilities. The design weights for respondents—prior to any screening—were then weighted to the following geodemographic distributions of the 18 and over US population using an iterative proportional fitting (raking) procedure. The needed benchmarks were obtained from the 2021 March Supplement of the Current Population Survey (CPS).

- Gender (Male, Female) by Age (18-34, 35-44, 45-59, 60+)
- Race-Ethnicity (White/Non-Hispanic, Black/Non-Hispanic, Other/Non-Hispanic, Hispanic, 2+ Races/Non-Hispanic)
- Census Region (Northeast, Midwest, South, West) by Metropolitan Status (Metro, Non-Metro)
- Gender (Male, Female) by Education (High School or less, Some College, Bachelor or higher)
- Household Income (under $25K, $25K-$49,999, $50K-$74,999, $75K-$99,999, $100K-$149,999, $150K and over)

The resulting weights were then trimmed and scaled to sum to the 18 and over US population size. Next, qualified respondents were separated into benchmarks created for those that completed a rollover and those that did not complete a rollover. These were then raked to the following weighted geodemographic distributions.

- Gender (Male, Female) by Age (18-34, 35-44, 45-59, 60+) by 401K Roll Over (Yes, No)
- Race-Ethnicity (White/Non-Hispanic, Black/Non-Hispanic, Other or 2+ Races/Non-Hispanic, Hispanic) by 401K Roll Over (Yes, No)

- Census Region (Northeast, Midwest, South, West) by 401K Roll Over (Yes, No)
- Metropolitan Status (Metro, Non-Metro) by 401K Roll Over (Yes, No)
- Gender (Male, Female) by Education (High School or less, Some College, Bachelor or higher) by 401K Roll Over (Yes, No)
- Household Income (under $50K, $50K-$74,999, $75K-$99,999, $100K-$149,999, $150K and over) by 401K Roll Over (Yes, No)

Finally, the resulting weights were trimmed and scaled to sum to the corresponding population size.

Survey exclusions, quality, and error

Sampling error is present in our estimates because our probability-based sample is only one of a large number of samples that we might have drawn. Because each sample could have provided different estimates, we express our confidence in the precision of our particular sample's results as a 95 percent confidence interval (e.g., plus or minus 7 percentage points, also referred to as a "margin of error") around an estimate. This is the interval that would contain the actual population value for 95 percent of the samples we could have drawn. The width of confidence intervals can vary for estimates made from different questions, because they are a function of not only the overall design of our sample (or the subsamples, for test questions), but also of the number of answers received to a question, and the distribution, or variability, of those answers.

Confidence intervals, or margins of error, for estimates from questions asked of all 1,043 respondents are no larger than plus or minus 3.8 percentage points. For estimates derived from the subset of respondents who either completed a rollover (551 respondents) or did not (492 respondents), the confidence intervals are no larger than plus or minus 5.4 percentage points. Estimates derived from smaller subsets of respondents (such as for follow-up questions based on specific responses) may have margins of error greater than 3.8 or 5.4 percentage points. All estimates in this report have a 95 percent margin of error of plus or minus 10 percentage points or lower, unless otherwise noted. Caution should be taken when comparing estimates (for example, of the answers of different demographic subgroups to a question) in the presence of sampling error. Apparent differences between point estimates that are within the confidence intervals, or margins of error, of

those estimates may not represent actual differences in the target population.

Nonresponse error can occur when a survey fails to collect any information from an eligible member of the sample (unit nonresponse), or when respondents do not provide a usable answer to an individual question (item nonresponse). In our survey, the main risk of nonresponse is the potential for nonresponse bias—to the extent that those who did not answer would have answered differently from those who did, our estimates will depart from the true values for the study population as a whole.

In the weighting process described above, adjustments were incorporated to compensate for the effects of nonresponse occurring in different stages of our survey, from KnowledgePanel creation through fieldwork for our specific survey. In addition, raking adjustments of weights was done to make the demographic characteristics of our set of survey respondents more closely align with those of the study population, under the assumption that the answers to survey questions like ours are generally associated with common demographic characteristics. To the extent this assumption is true, increasing or decreasing the weights of responses with demographic characteristics that are under- or over-represented, respectively, may mitigate bias from nonresponse. Given the weighted cumulative response rate of 3.8 percent, however, we cannot rule out the possibility of nonresponse error in our estimates.

Appendix III: Reproduction of 401(k) Plan Participant Web Survey

- This survey asks about your experience managing your 401(k) plan retirement savings after leaving your employer that provided the benefit. A 401(k) plan allows you and your employer to make tax-deferred contributions to an account to help you save for retirement.
- This survey will ask you questions about your experience with 401(k) plan rollovers even if you have never completed a rollover of your savings.
- This survey refers to IRAs, which are Individual Retirement Accounts provided by financial institutions that can also allow individuals to save for retirement on a tax-deferred basis, but are not related to an individual's employment.
- For the purpose of this survey, a "401(k) plan" does not include Roth 401(k) plans, 403(b) plans, 457 plans, or IRAs.
- This survey is not a test of your knowledge or familiarity with 401(k) plan rollovers. Please respond to the following questions to the best of your ability.
- This survey may take 25 to 30 minutes to complete.

Q1

Within the last 3 years, did you ever leave a job (for any reason) with an employer where you had accumulated savings in a 401(k) plan they provided? *Please answer no if you only changed positions while working for the same employer or if you had no savings in your plan. For the purpose of this survey, a "401(k) plan" does not include Roth 401(k) plans, 403(b) plans, 457 plans, or IRAs.*

1. Yes
2. No
3. I don't know or remember

Q2

Within the last 3 years, have you completed a rollover of your retirement savings from a 401(k) plan provided by your old employer to a 401(k) plan provided by a different employer? *For the purpose of this survey, a "401(k) plan" does not include Roth 401(k) plans, 403(b) plans, 457*

1

plans, or IRAs. You completed a rollover if savings from your old 401(k) plan were deposited into a new 401(k) plan.

1. Yes
2. No
3. I don't know or don't remember

Q3

After leaving your job where you had savings in your 401(k) plan, did you participate in another 401(k) plan offered by a different employer? *For the purpose of this survey, a "401(k) plan" does not include Roth 401(k) plans, 403(b) plans, 457 plans, or IRAs.*

1. Yes, I left my job at my old employer and went directly to work for a new employer where I began participating in a new 401(k) plan
2. Yes, I left my old job at my old employer and, after some time, went to work for a new employer where I began participating in a new 401(k) plan
3. Yes, I continued participating in a 401(k) plan from a different employer that I had at the same time
4. No, since I left my job at my old employer, I have not worked for another employer where I participated in their 401(k) plan
5. I don't know or remember

D1

When did you first begin contributing savings to a 401(k) plan? *Please consider any 401(k) plan you ever had during your career, not just your most recent plan.*

1. Less than 1 year ago
2. 1 to 3 years ago
3. 3 to 5 years ago
4. 5 to 10 years ago
5. More than 10 years ago
6. I don't know or remember

2

D2

Do you have a defined benefit (DB) pension plan from a current or former employer? *Please answer no if you had a DB plan and took a lump sum distribution.*

1. Yes
2. No
3. I don't know or remember

Did Not Do Rollover

Based on your responses, you were eligible to roll over your 401(k) plan savings to another 401(k) plan in the last 3 years but did not do so.

Your response to the following questions will help us understand your experience and reasons for not completing a plan-to-plan rollover and for doing something else instead. The questions will ask about:

(1) your overall 401(k) plan rollover experience,

(2) your interactions with your old 401(k) plan or employer, and

(3) your interactions with your new 401(k) plan or employer.

Throughout this survey, we refer to the 401(k) plan from which you could have withdrawn your savings after you left your job as your "old 401(k) plan," and the 401(k) plan to which you could have rolled over your savings as the "new 401(k) plan." We refer to this type of rollover as a "plan-to-plan" rollover, which is different from an "IRA-to-plan" or "plan-to-IRA" rollover.

If you left more than one job with employers where you had 401(k) plan savings in the last 3 years, please respond to the following questions based on your most recent experience.

Your overall 401(k) plan rollover experience

To start, we have some questions about your overall 401(k) plan rollover experience.

A4

What did you do with your old 401(k) plan savings after you left your job with your old employer?

a. Cashed out my old 401(k) plan savings (and did what I chose with it)

b. Left my savings in my old 401(k) plan

c. Rolled over my savings to an IRA

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d. Rolled over my savings to an annuity

e. I'm not sure

A4_followup_e

You indicated that you aren't sure what you did with your old 401(k) plan savings after you left your job with your old employer. Why are you uncertain?

a. My financial advisor handled it for me and I'm not sure what they did

b. A family member or friend handled it for me and I'm not sure what they did

c. I don't remember the specific type of account that I moved my savings into

d. I don't remember what I used the money for after I cashed out the account

e. I didn't do anything with the savings and I'm not sure if it's still in my old plan or not

f. Other

A11

What portion of your old 401(k) plan savings did you leave in the plan?

1. Less than 50%
2. 50% to less than 100%
3. I don't know or remember

A13

What portion of your old 401(k) plan savings did you cash out? *"Cash out" refers to permanently withdrawing savings from your 401(k) plan after applicable taxes have been taken out. Please do not include in your response any amounts you may have subsequently rolled over into an IRA.*

1. Less than 50%
2. 50% to less than 100%
3. I don't know or remember

A15

What portion of your savings from your old 401(k) plan did you roll over to an IRA?

1. Less than 50%
2. 50% to less than 100%
3. I don't know or remember

A17

What portion of your savings from your old 401(k) plan did you roll over to an annuity?

1. Less than 50%
2. 50% to less than 100%
3. I don't know or remember

A5

When did you initially decide what to do with your old 401(k) plan savings? *The decision about what to do with your 401(k) plan savings may not be at the same time as when you took action to implement your decision.*

1. Before I left my job with my old employer
2. After I left my job with my old employer but before I started working for a new employer that provided my new 401(k) plan
3. After I started working for my new employer that provided my new 401(k) plan
4. I didn't make an active decision; I just didn't take any action after I left my job with my old employer
5. I don't know or remember

A7

At the time you made a decision, what was your understanding of what you could do with your old 401(k) plan savings after you left your job with your old company? *Your understanding of your options may not be the same as what is allowed. Please select the option(s) that best reflects your understanding when you made a decision.*

a. I could cash out some or all of my plan savings (and do what I choose)

b. I could roll over some or all of my plan savings to an IRA

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c. I could roll over some or all of my plan savings to another 401(k) plan

d. I may be able to leave my savings in my old 401(k) plan

e. I could roll over some or all of my savings to an annuity

f. I don't know or remember

A8

After you started your job with your new employer, when did you take action to cash out or roll over savings from your old 401(k) plan? *Please select the option that reflects your best estimate of when you started the process.*

1. I had already taken action before I started my new job
2. Within 1 month after I started my new job
3. More than 1 month but less than 3 months after I started my new job
4. More than 3 months but less than 6 months after I started my new job
5. More than 6 months but less than 1 year after I started my new job
6. More than 1 year but less than 3 years after I started my new job
7. I don't know or remember

A9

Before you left your job, did you have any prior experience with plan-to-plan rollovers? *Please select the option that best reflects your experience with the plan-to-plan rollover process. A plan-to-plan rollover involves transferring savings from an old employer's 401(k) plan into a new employer's 401(k) plan.*

1. Yes, I completed a plan-to-plan rollover before
2. Yes, I attempted but did not complete a plan-to-plan rollover
3. No, but I previously completed a different type of rollover (plan-to-IRA or IRA-to-plan)
4. No, but I had some general knowledge about rollovers
5. No, I had no experience with or knowledge about rollovers
6. I don't know or remember

6

A10

How much savings was in your old 401(k) plan account at the time you left your job with your old employer? *Please select your best estimate of your entire 401(k) plan account balance, even if you did not roll over all of your savings to your new 401(k) plan.*

1. $1,000 or less
2. $1,001 to $5,000
3. $5,001 to $25,000
4. $25,001 to $50,000
5. $50,001 to $100,000
6. $100,001 to $150,000
7. $150,001 to $200,000
8. $200,001 to $250,000
9. More than $250,000
10. I don't know or remember

A12

Which of the following best explains why you left some or all of your savings in your old 401(k) plan?

1. I didn't make a decision about what to do with my plan savings so the savings remained in the plan
2. I withdrew some of my savings so the rest of it remained in the plan
3. I preferred my old 401(k) plan over my new 401(k) plan
4. I preferred my old 401(k) plan over an IRA
5. I preferred my old 401(k) plan over an annuity
6. I had a gap between jobs and didn't have a new 401(k) available for a plan-to-plan rollover at the time
7. My financial advisor recommended it
8. My friends, family, or co-workers recommended it

7

9. Other:

10. I don't know or remember

A12_followup_a

I preferred my old 401(k) plan over my new 401(k) plan because:

a. My old 401(k) plan charged lower fees

b. My old 401(k) plan provided more favorable company contributions

c. I preferred the investment options in my old 401(k) plan

d. My old 401(k) plan offered greater flexibility in terms of withdrawal options

e. I preferred the company that managed my old 401(k)

f. Other:

A12_followup_b

I preferred my old 401(k) plan over an IRA because:

a. My old 401(k) plan charged lower fees

b. My old 401(k) plan provided company contributions

c. I preferred the investment options in my old 401(k) plan

d. My old 401(k) plan offered greater flexibility in terms of withdrawal options

e. I preferred the company that managed my old 401(k)

f. Other:

A14

Which of the following best explains why you cashed out some or all of your savings from your old 401(k) plan?

1. I needed or wanted my savings

2. It was the easiest option for me to take my savings with me after I left my job with my old employer

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3. I didn't have much saved in the plan so I didn't think it was worthwhile for me to complete a rollover to my new 401(k) plan or an IRA
4. I had a gap between jobs and didn't have a new 401(k) available for a plan-to-plan rollover at the time
5. I didn't think I had any other options
6. My financial advisor recommended it
7. My family, friends, or co-workers recommended it
8. Other:
9. I don't know or remember

A16

Which of the following best explains why you rolled over some or all of your savings from your old 401(k) plan to an IRA?

1. I didn't want to leave my savings in my old 401(k) plan because I no longer worked for that employer
2. I wanted to cash out some of my old 401(k) plan savings but had to close the entire account to do so
3. I already had an IRA and wanted to consolidate my old 401(k) plan savings with my IRA savings
4. I already had a relationship with or preferred the company that provided the IRA
5. It was easier to roll over my old 401(k) plan savings to an IRA than to my new 401(k) plan
6. I preferred the IRA over my old 401(k) plan
7. I preferred the IRA over my new 401(k) plan
8. My financial advisor recommended it
9. My family, friends, or co-workers recommended it
10. Other:
11. I don't know or remember

A16_followup_a

9

I preferred the IRA over my old 401(k) plan because:

a. The IRA charged lower fees

b. The IRA company had advisors that could provide me financial advice

c. I preferred the investment options in the IRA

d. The IRA offered greater flexibility in terms of withdrawal options

e. I preferred the company that managed the IRA

f. Other:

A16_followup_a

I preferred the IRA over my new 401(k) plan because:

a. The IRA charged lower fees

b. The IRA company had advisors that could provide me financial advice

c. I preferred the investment options in the IRA

d. The IRA offered greater flexibility in terms of withdrawal options

e. I preferred the company that managed the IRA

f. Other:

A18

Which of the following best explains why you rolled over some or all of your savings from your old 401(k) plan to an annuity?

1. I wanted to convert some or all of my old 401(k) plan savings into guaranteed lifetime income
2. I didn't want to leave my savings in my old 401(k) plan because I no longer worked for that employer
3. I wanted to cash out some of my old 401(k) plan savings but had to close the entire account to do so
4. I already had a relationship with or preferred the company that provided the annuity
5. It was easier to roll over my old 401(k) plan savings to an annuity than to my new 401(k) plan

6. My financial advisor recommended it
7. My family, friends, or coworkers recommended it
8. Other:
9. I don't know or remember

A19

Are your old 401(k) plan and your new 401(k) plan managed by the same or different companies? *Questions and requests about your 401(k) plan may be handled by the company your employer selects to manage the plan, such as through that company's Internet website or customer service representatives.*

1. Both plans were managed by the same company
2. Each plan was managed by a different company
3. I don't know or remember

A20

Did you consider doing a plan-to-plan rollover with your old 401(k) plan savings?

1. Yes
2. No
3. I don't know or remember

A6

Did any of the following factors influence what you did with your 401(k) plan savings after you left your job with your old employer? *In the responses below, your "401(k) plan" refers to the company your employer hires to manage your plan and "employer" refers to individuals who are employed by your company, such as those in human resources (HR).*

a. Materials or resources from my old 401(k) plan or employer
b. Materials or resources from my new 401(k) plan or employer
c. Outreach by a company that offered to roll over my savings to an IRA
d. My financial situation at the time
e. My own independent research (such as on the Internet)

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f. Materials, resources, or information from the U.S. Department of Labor or the Internal Revenue Service (IRS)

g. My friends, family, or co-workers

h. An independent financial or retirement advisor not affiliated with my old or new 401(k) plan

i. My prior knowledge of or experience with rolling over retirement account savings

j. My limited time or patience

k. My understanding of financial topics including saving, investing and debt

l. My employment status at my new employer

m. Other:

n. I don't know or remember

A21

How far along in the overall plan-to-plan rollover process did you get? *A plan-to-plan rollover involves transferring savings from an old employer's 401(k) plan into a new employer's 401(k) plan.*

1. I considered the possibility of doing a plan-to-plan rollover but did no research and made no inquires about it
2. I did some general research (such as on the Internet) on plan-to-plan rollovers but did not make any inquiries to my 401(k) plan, employer, or consult their information about their process or requirements
3. I contacted my 401(k) plan, employer, or consulted their information to inquire about their rollover process and requirements but did not make a formal request for a plan-to-plan rollover
4. I submitted a request for a plan-to-plan rollover to my 401(k) plan or employer (such as by providing required documentation) but did not complete the process
5. I don't know or remember

A22

Which of the following explains why you did not consider a plan-to-plan rollover?

a. I didn't know it was an option

b. I didn't have time to think about it

c. I was not ready to consider it

d. I knew that another option was better for me

a. I had a gap between jobs and didn't have a new 401(k) plan available for a plan-to-plan rollover at the time

e. Other:

f. I don't know or remember

A23

Which of the following explains why you did not submit a request for a plan-to-plan rollover?

a. The rollover process seemed too difficult, confusing, or frustrating

b. The rollover process seemed too time-consuming

c. I couldn't get help to understand the process and complete the requirements

d. I was not ready to do the rollover

e. I decided that another option was better for me

f. Other:

g. I don't know or remember

A24

Which of the following explains why you did not complete a plan-to-plan rollover?

a. My old 401(k) plan wouldn't disperse my savings as I needed them to

b. My old 401(k) plan wouldn't provide documentation that my new 401(k) plan required

c. I didn't know or couldn't obtain the information my new 401(k) plan required

d. My new 401(k) plan didn't or couldn't receive the rollover savings my old 401(k) plan sent directly to them

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e. My new 401(k) plan didn't or couldn't receive the rollover savings I sent to them myself

f. My new 401(k) plan refused to accept a rollover from my old 401(k) plan

g. I decided that another option would be easier

h. I became frustrated with the process and decided I didn't want to continue

i. I changed my mind and decided that another option was better for me

j. Other:

k. I don't know or remember

A25

How likely are you to try to do a plan-to-plan rollover in the future?

1. Very likely
2. Somewhat likely
3. Not too likely
4. Not at all likely
5. I don't know

The next set of questions will ask about your interactions with your old 401(k) plan or employer

A25_a

Were you (and your spouse, if applicable) the sole participant(s) in your old 401(k) plan? *Answer yes if you were the business owner and served as both the employer and employee in your old company that provided your 401(k) plan?*

a. Yes

b. No

c. I don't know or remember

A26

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Did you interact with your old 401(k) plan and/or your old employer regarding what you decided to do with your plan savings after you left your job? *Your "401(k) plan" refers to the company your employer hires to manage your plan and "employer" refers to individuals who are employed by your company, such as those in human resources (HR). Interactions can occur by phone, paper mail, email, in-person, or through a website.*

1. I interacted with my old 401(k) plan only
2. I interacted with my old employer only
3. I interacted with both my old 401(k) plan and old employer
4. I did not interact with either my old 401(k) plan or old employer
5. I don't know or remember

A27

Did your old 401(k) plan or employer provide any unsolicited written information that explained what you can do with your plan savings and their tax consequences around the time or after you left your job? *"Unsolicited written information" in this question refers to information they provided to you without you asking for it regarding options for your plan savings and their tax consequences. This does not refer to regular mailing of your account statements. Please select the option that best reflects the information you received, regardless of whether you fully read or understood the information.*

1. Yes, I periodically received this information while I was working for my old employer
2. Yes, I received this information at or around the time my employer became aware that I would be leaving my job
3. Yes, I received this information at or around the time I left my job with my old employer
4. Yes, I received this information after I had started working at my new job
5. No, I never received this type of information
6. I don't know or remember

A27_followup

When did you receive the unsolicited written information explaining what you can do with your plan savings and the tax consequences?

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1. I received it before I decided what to do with my plan savings
2. I received it at or around the time I decided what to do with my plan savings
3. I received it after I had decided what to do with my plan savings
4. I don't know or remember

A28

Did you read the unsolicited written information provided by your old 401(k) plan or employer about what you could do with your plan savings and their tax consequences after you leave your job?

1. I read most or all of the information
2. I read some of the information
3. I read only a little of the information
4. I did not read any of the information
5. I don't know or remember

A28_followup_4

I did not read any of the information, because:

1. I was already familiar with the options for my savings and their tax consequences
2. I never got around to it
3. I wasn't interested
4. I didn't have the time
5. It seemed complicated
6. I lost or misplaced it
7. I don't know or remember

A29

What was your level of understanding of the unsolicited written information provided by your old 401(k) plan or employer?

1. I understood most or all of the information
2. I understood some of the information
3. I understood only a little of the information
4. I did not understand any of the information
5. I don't know or remember

A30

Based on the unsolicited written information from your old 401(k) plan or employer, what was your understanding about what you could do with your retirement plan savings after you left your job?

a. I could cash out some or all of my plan savings (and do what I choose)
b. I could roll over some or all of my plan savings to an IRA
c. I could roll over some or all of my plan savings to another 401(k) plan
d. I could roll over some or all of my savings to an annuity
e. Other:
f. I don't know or remember

A31

How useful was the unsolicited written information from your old 401(k) plan or employer in helping you understand what you could do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

A32

What could have made the unsolicited written information from your old 401(k) plan or employer more useful in helping you understand what you could do with you plan savings after you left your job?

a. It could have been more to the point

b. It could have been written in a way that was easier to understand

c. It could have explained my options using example scenarios

d. It could have explained the necessary steps to implement the various options

e. It could have referred me to someone I could contact to answer my questions

f. It could have been provided electronically

g. could have been provided earlier

h. Other:

i. Nothing, because I was already familiar with what I could do with my plan savings

j. I don't know or remember

A32_b

Why did you find the unsolicited written information from your old 401(k) plan or employer to be very useful in helping you understand what you could do with you plan savings after you left your job?

a. It was to the point

b. It was written in a way that was easy to understand

c. It explained my options using example scenario

d. It explained the necessary steps to implement the various options

e. It referred me to someone I could contact to answer my questions

f. It was provided electronically

g. It was provided in a timely manner

h. Other:

i. I don't know or remember

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A33

Based on the unsolicited written information from your old 401(k) plan or employer, what was your understanding of the tax consequences of what you could do with your plan savings after you left your job?

	Yes	No	Don't know or remember
a. If I roll over my plan savings to another 401(k) plan, an IRA, or an annuity, I can avoid paying taxes until I take a withdrawal	1	2	3
b. If I cash out any or all of my plan savings, I must pay taxes and potentially also early withdrawal penalties	1	2	3
c. If I cash out my plan savings and then decide to roll over my entire account balance to another 401(k) plan, an IRA, or an annuity, I must add additional funds to make up for federal taxes that were withheld and deposit the savings into the new plan within 60 days to avoid taxes and potential penalties	1	2	3
d. If I leave my savings in my old 401(k) plan, I can avoid paying taxes until I take a withdrawal	1	2	3
e. Other: **[Text box, PIN]**	1	2	3

A34

How useful was the unsolicited written information from your old 401(k) plan or employer in helping you understand the tax consequences of what you can do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

A35

What could have made the unsolicited written information from your old 401(k) plan or employer more useful in helping you understand the tax consequences of what you can do with your plan savings after you left your job?

a. It could have been more to the point

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b. It could have been written in a way that was easier to understand

c. It could have explained tax consequences using example scenarios

d. It could have referred me to someone I could contact to answer my questions

e. It could have been provided electronically

f. It could have been provided earlier

g. Other:

h. Nothing, because I was already familiar with the tax consequences of what I could do with my plan savings

i. I don't know or remember

A35_b

Why did you find the unsolicited written information from your old 401(k) plan or employer to be very useful in helping you understand the tax consequences of what you could do with you plan savings after you left your job?

a. It was to the point

b. It was written in a way that was easy to understand

c. It explained tax consequences using example scenarios

d. It referred me to someone I could contact to answer my questions

e. It was provided electronically

f. It was provided in a timely manner

g. Other:

h. I don't know or remember

A36

Which of the following resources from your old 401(k) plan or employer did you use to help you decide what do to with your plan savings after you left your job? *These resources do not refer to the unsolicited written information discussed in the prior questions. Your plan or employer may not have made any or all of these resources available.*

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a. Materials or presentations (either online, print, or provided in-person) that explained the options for what I could do with my plan savings

b. Online calculators or interactive tools that allowed me to enter information about my situation to see the potential effects of different options on my retirement savings or tax obligations

c. A computer application or robo-advisor that provided advice or recommendations about a specific option based on my individual circumstances or financial situation

d. Ability to speak with someone who could explain my options and answer general questions

e. Ability to speak with someone who could provide advice or recommendations based on my individual circumstances or financial situation

f. None of the above

g. I don't know or remember

Base: if any of A36_a to e=1

A37 [S]

How useful were the resources from your old 401(k) plan or employer in helping you understand what you can do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

Base: if A37=2 OR 3 OR 4

A38

What could have made the resources from your old 401(k) plan or employer more useful in helping you understand what you could do with your plan savings after you left your job?

a. I could have been made better aware that the resources were available

b. The resources could have been easier to access

c. The resources could have been more to the point

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d. The resources could have been easier to understand

e. The resources could have explained the options by using example scenarios

f. I could have been encouraged to use the resources

g. The resources could have helped me consolidate my retirement savings in my new 401(k) plan

h. Other:

i. I don't know or remember

A38_b

Why did you find the resources from your old 401(k) plan or employer to be very useful in helping you understand what you could do with your plan savings after you left your job?

a. I was made well-aware that the resources were available

b. The resources were easy to access

c. The resources were to the point

d. The resources were easy to understand

e. The information could have explained the necessary steps to implement the various options

f. The resources explained the options by using example scenarios

g. I was encouraged to use the resources

h. The resources helped me consolidate my retirement savings in my new 401(k) plan

i. Other:

j. I don't know or remember

A39

How useful were the resources from your old 401(k) plan or employer in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

1. Very useful

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2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

A40

What could have made the resources from your old 401(k) plan or employer more useful in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

a. I could have been made better aware that the resources were available
b. The resources could have been easier to access
c. The resources could have been more to the point
d. The resources could have been easier to understand
e. The resources could have explained the options by using example scenarios
f. I could have been encouraged to use the resources
g. The resources could have helped me consolidate my retirement savings in my new 401(k) plan
h. Other:
i. I don't know or remember

A40_b

Why did you find the resources from your old 401(k) plan or employer to be very useful in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

a. I was made well-aware that the resources were available
b. The resources were easy to access
c. The resources were to the point

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d. The resources were easy to understand

e. The resources explained the options by using example scenarios

f. I was encouraged to use the resources

g. The resources helped me consolidate my retirement savings in my new 401(k) plan

h. Other:

i. I don't know or remember

A41

Before you made a decision about what to do with your old 401(k) plan savings, did you know that you may be able to keep your plan savings in your old 401(k) plan after you left your job?

1. Yes, I assumed I could take no action and leave my savings in the plan
2. Yes, because I had already kept my savings in my old 401(k) plan for a period of time after I left my job
3. Yes, I knew that I keeping my savings in my old 401(k) plan after I leave my job may be an option
4. No, I did not know I may be able to keep my savings in my old 401(k) plan after I leave my job
5. I don't know or remember

A42

How did you learn that you may be able to keep your plan savings in your old 401(k) plan after you left your job?

a. Materials, resources, or information provided by my old 401(k) plan or employer

b. Materials, resources, or information from the U.S. Department of Labor or the Internal Revenue Service (IRS)

c. My own independent research (such as on the Internet)

d. Friends, family, or co-workers

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e. My financial or retirement advisor

f. My prior knowledge or experience managing my 401(k) plan savings after leaving jobs that I had before

g. I don't know or remember

A43

After you left your job with your old employer, did the company that managed your old 401(k) plan provide you information about or offer to roll over your savings to an IRA? *Information about or an offer to roll over to an IRA could have been made in-person, by phone, by email or paper mail, or through their Internet website.*

1. Yes
2. No
3. I don't know or remember

A44

Did you accept the company's option to roll over your 401(k) plan savings to an IRA?

1. Yes
2. No
3. I don't know or remember

Inquired Plan-to-Plan Rollover – Old Plan

Your responses indicate you inquired about and/or made a formal request for a plan-to-plan rollover. The next set of questions will continue to ask about your experience with your old 401(k) plan or employer regarding plan-to-plan rollovers.

A45

How did you obtain information about your old 401(k) plan's rollover process and/or requirements?

a. I obtained information from my old 401(k) plan

b. I obtained information from my old employer

c. I didn't have to because my new 401(k) plan or employer did that for me

d. I didn't have to because my retirement or financial advisor did that for me

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e. I don't know or remember

A45_followup_a

I obtained information from my old 401(k) plan:

i. From their website

ii. In person

iii. By phone

iv. By email

v. By fax

vi. By paper mail

vii. I don't know or remember

A45_followup_b

I obtained information from my old employer:

i. From their website

ii. In person

iii. By phone

iv. By email

v. By fax

vi. By paper mail

vii. I don't know or remember **[S, PIN]**

A46

What did your old 401(k) plan require from you to process your plan-to-plan rollover request?

	Required	Did Not Require	Don't know or remember
a. Complete, sign, and submit a form to request a rollover of my savings to my new 401(k) plan	1	2	3

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b. Specify the amount or percentage of my plan savings I want to roll over to my new 401(k) plan	1	2	3
c. Provide information about whether my plan savings should be sent by check or electronic transfer	1	2	3
d. Provide information about whether my plan savings should be sent to me or to my new 401(k) plan	1	2	3
e. Confirm my personal information, such as my name and current address	1	2	3
f. Other: **[Text box, PIN]**	1	2	3

A47

Overall, how challenging was it to understand your old 401(k) plan's requirements for a plan-to-plan rollover?

a. Very challenging

b. Somewhat challenging

c. Not too challenging

d. Not at all challenging

e. I don't know or remember

A48

Why was it challenging to understand your old 401(k) plan's requirements for a plan-to-plan rollover?

a. I didn't know who to ask or where to look for information about what my old 401(k) plan required for a rollover

b. I didn't understand why my old 401(k) plan needed what it asked of me

c. The instructions for the rollover request form were complicated and difficult to understand

d. I was unclear how some of the questions or information being asked in the rollover request form applied to my situation

e. I didn't understand the roles and responsibilities of my old and new 401(k) plan in completing my rollover

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f. There were too many steps to follow to go through my old 401(k) plan's rollover process

g. No one from my old 401(k) plan or employer was available to help me

h. I didn't have help from an independent financial or retirement advisor

i. Other:

j. I don't know or remember

Requested Rollover

Your responses indicated that you submitted a request for a plan-to-plan rollover of your savings from your old 401(k) plan to your new 401(k) plan. The next set of questions will continue to ask about your experience with your old 401(k) plan or employer regarding your plan-to-plan rollover request.

A49

How did you request a rollover of your old 401(k) plan savings?

a. I made a request from my old 401(k) plan

b. I made a request from my old employer

c. My new 401(k) plan or employer did it for me

d. My retirement or financial advisor did it for me

e. I don't know or remember

A49_followup_a

I made a request from my old 401(k) plan:

i. From their website

ii. In person

iii. By phone

iv. By email

v. By fax

vi. By paper mail

vii. I don't know or remember

28

A49_followup_b

I made a request from my old employer:

i. From their website

ii. In person

iii. By phone

iv. By email

v. By fax

vi. By paper mail

vii. I don't know or remember

A50

Overall, how challenging was it to comply with your old 401(k) plan's requirements for a plan-to-plan rollover?

1. Very challenging
2. Somewhat challenging
3. Not too challenging
4. Not at all challenging
5. I don't know or remember

A51

Why was it challenging for you to comply with your old 401(k) plan's requirements for a plan-to-plan rollover?

a. I didn't fully understand the form

b. I couldn't get any help to complete the rollover request form

c. I didn't have or know where to get some of the information my old 401(k) plan's form required

d. I didn't know where to send the completed form

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e. It took too much time or effort to do what was required

f. My old 401(k) plan told me what was required but did not help me do what they needed

g. My old 401(k) plan did not help with what my new 401(k) plan required

h. It was difficult to know what was happening because my old and new 401(k) plans did not communicate with each other directly

i. My old 401(k) did not keep me updated on the status of the rollover request

j. Other

k. I don't know or remember

A52

What could have helped you complete your old 401(k) plan's requirements for a plan-to-plan rollover?

a. My old and new 401(k) plans could have followed a standardized process and forms

b. My old and new 401(k) plan could have worked directly with each other

c. My old 401(k) plan could have helped me complete the rollover process, such as completing or submitting the required forms for me

d. My new 401(k) plan could have helped me complete the rollover process, such as completing or submitting the required forms

e. An independent financial or retirement advisor could have helped me complete the rollover process, such as completing or submitting the required forms

f. Other:

g. I don't know or remember

A53

Did your old 401(k) plan charge any fees to roll over plan savings?

1. Yes

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2. No
3. I don't know or remember

A53_followup_a

What was the total amount of the fees that your old 401(k) plan charged to roll over savings to another 401(k) plan?

1. Less than $50
2. $50 or more
3. I don't know or remember

A54

After you submitted your rollover request, how many additional times did you contact your old 401(k) plan or employer to follow-up on your request?

1. None, the initial request was the only one I made
2. 1 time
3. 2 to 3 times
4. 4 times or more
5. I don't know or remember

A55

Overall, how satisfied were you with how your old 401(k) plan or employer addressed your rollover request?

1. Very satisfied
2. Somewhat satisfied
3. Not too satisfied
4. Not at all satisfied
5. I don't know or remember

A56

31

Which of the following explains why you were not more satisfied with how your old 401(k) plan or employer addressed your rollover request?

a. It took a long time for my old 401(k) plan or employer to process my request and send my savings

b. My old 401(k) or employer wouldn't send my savings directly to my new 401(k) plan

c. I had to contact my old 401(k) plan or employer several times to get them to process my request and send my savings

d. The status of my request or the cause of delays were not always clear

e. My old 401(k) plan or employer didn't withhold the proper amount of taxes before sending me my plan savings

f. The company that managed my old 401(k) plan tried to discourage me from completing a plan-to-plan rollover

g. I had a problem with the fees they charged

h. Other:

i. I don't know or remember

A56_followup_g

What problems did you have with the fees your old 401(k) plan charged for rollovers?

a. I felt that the fees were too high

b. My plan did not clearly explain the fees

c. I was charged fees that I did not expect to be charged

d. Other:

The next set of questions will ask about your interactions with your new 401(k) plan or employer.

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A56_b [S]

Were you (and your spouse, if applicable) the sole participant(s) in your new 401(k) plan? *Answer yes if you were the business owner and served as both the employer and employee in your new company that provided your 401(k) plan?*

a. Yes

b. No

c. I don't know or remember

A58_pre

At the time you began participating in a 401(k) plan offered by your new employer, did you have any savings remaining in your old 401(k) plan from your old employer?

1. Yes

2. No

3. I don't know or remember

A58

Did you interact with your new 401(k) plan or your new employer regarding what you decided to do with your plan savings after you left your job? *An interaction could have occurred in-person, by phone, by email or paper mail, or through their Internet website.*

1. I interacted with my new 401(k) plan only
2. I interacted with my new employer only
3. I interacted with both my new 401(k) plan and new employer
4. I did not interact with either my new 401(k) plan or new employer
5. I don't know or remember

A59

What information did your new employer provide about your new 401(k) plan at or around the time you were first hired?

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	Provided	Did not provide	Don't know or remember
a. General information about the terms of the plan and employee eligibility to join	1	2	3
b. Plan forms, such as those to sign up, specify the amount of employee contribution, and designate beneficiaries	1	2	3
c. Information about eligibility to roll over savings from other 401(k) plans or IRAs	1	2	3
d. Other:_____	1	2	3

A65

Did the company that managed your new 401(k) plan provide you information about or offer to roll over your savings to an IRA after you started your new job? *Information about or an offer to roll over to an IRA could have been made in-person, by phone, by email or paper mail, or through their Internet website.*

a. Yes

b. No

c. I don't know or remember

A66

Did you accept the company's option to roll over your 401(k) plan savings to an IRA?

a. Yes

b. No

c. I don't know or remember

A57

Did you look into whether your new 401(k) plan accepted rollovers from other 401(k) plans? *Please answer no if you assumed or already knew your plan accepted rollovers.*

1. Yes

2. No

3. I don't know or remember

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A57_a

How did you look into whether your new 401(k) plan accepted rollovers from other 401(k) plans?

a. I talked to someone from my new plan or new employer about it during new employee orientation or other on-boarding activities

b. I talked to a co-worker at my new employer

c. I checked my new 401(k) plan's documents (printed or on their website)

d. I contacted a representative of my new 401(k) plan

e. I asked my financial or retirement advisor about it

f. I don't know or remember

A57_b

Why didn't you look into whether your new 401(k) plan accepted rollovers from other 401(k) plans?

a. I already knew my new 401(k) plan would accept my rollover

b. I was not interested in pursuing a plan-to-plan rollover

c. I assumed my new 401(k) plan would accept my rollover

d. I didn't need to because someone from my new plan or new employer told me during new employee orientation or other on-boarding activities

e. I didn't need to because my new 401(k) plan's documents (printed or on their website) said whether the plan accepted rollovers

f. I didn't need to because my new 401(k) plan proactively encouraged me to roll over savings from my old 401(k) plan

g. I didn't need to because my financial or retirement advisor looked into it for me

h. I don't know or remember

A60

Which of the following resources from your new 401(k) plan or employer did you use to help you decide what do to with your plan savings after you left your job? *Your plan or employer may not have made any or all of these resources available.*

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a. Materials or presentations (either online, printed, or provided in-person) that explained the options for what I could do with my plan savings

b. Online calculators or interactive tools that allowed me to enter information about my situation to see the potential effects of the different options on my retirement savings or tax obligations

c. Ability to speak with someone who could explain my options and answer my general questions

d. A computer application or robo-advisor that provided advice or recommendations about a specific option based on my individual circumstances or financial situation

e. Ability to speak with someone who provided me advice or a recommendation about a specific option based on my individual circumstances or financial situation

f. None of the above

I don't know or remember

A61

How useful were the resources from your new 401(k) plan or employer in helping you understand what you could do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

A62

What could have made the resources from your new 401(k) plan or employer more useful in helping you understand what you could do with your old 401(k) plan savings after you left your job?

a. I could have been made better aware that the resources were available

b. The resources could have been easier to access

c. The resources could have been more to the point

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d. The resources could have been easier to understand

e. The resources could have explained the options by using example scenarios

f. I could have been encouraged to use the resources

g. The resources could have helped me consolidate my retirement savings in my new 401(k) plan

h. Other

i. I don't know or remember

A62_b

Why did you find the resources from your new 401(k) plan or employer to be very useful in helping you understand what you could do with your old 401(k) plan savings after you left your job?

a. I was made well-aware that the resources were available

b. The resources were easy to access

c. The resources were to the point

d. The resources were easy to understand

e. The resources explained the options by using example scenarios

f. I could was encouraged to use the resources

g. The resources helped me consolidate my retirement savings in my new 401(k) plan

h. Other

i. I don't know or remember

A63

How useful were the resources from your new 401(k) plan or employer in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

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1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

A64

What could have made the resources from your new 401(k) plan or employer more useful in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

a. I could have been made better aware of the resources
b. The resources could have been more to the point
c. The resources could have been easier to understand
d. The resources could have explained the tax consequences by using example scenarios
e. I could have been encouraged to use the resources
f. The resources could have helped me consolidate my retirement savings in my new 401(k) plan
g. Other:
h. I don't know or remember

A64_b

Why did you find the resources from your new 401(k) plan or employer to be very useful in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

a. I was made well-aware of the resources
b. The resources were to the point
c. The resources were easy to understand

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d. The resources explained the tax consequences by using example scenarios

e. I was encouraged to use the resources

f. The resources helped me consolidate my retirement savings in my new 401(k) plan

g. Other:

h. I don't know or remember

Inquired Plan-to-Plan Rollover

Your responses indicate you inquired about and/or made a formal request for a plan-to-plan rollover. The next set of questions will continue to ask about your experience with your new 401(k) plan regarding plan-to-plan rollovers.

A67

How did you obtain information about your new 401(k) plan's rollover process and/or requirements?

a. I obtained information from my new 401(k) plan

b. I obtained information from my new employer

c. I didn't have to because my retirement or financial advisor did that for me

d. I don't know or remember

A67_followup_a

I obtained information from my new 401(k) plan:

i. From their website

ii. In person

iii. By phone

iv. By email

v. By fax

vi. By paper mail

vii. I don't know or remember

39

A67_followup_b

I obtained information from my new employer:

viii. From their website

ix. In person

x. By phone

xi. By email

xii. By fax

xiii. By paper mail

xiv. I don't know or remember

A68

What did your new 401(k) plan require to process a plan-to-plan rollover request?

	Required	Did Not Require	Don't know or remember
a. Complete, sign, and submit a form to request a rollover of my old 401(k) plan savings to the new 401(k) plan	1	2	3
b. Specify the amount or percentage of my old 401(k) plan savings that I wanted to roll over to my new 401(k) plan	1	2	3
c. Provide a copy of my recent account statement(s) from my old 401(k) plan	1	2	3
d. Show that my savings to be rolled over (from my old plan) came from an eligible 401(k) plan under federal tax rules	1	2	3
e. Specify the method that I or my old 401(k) plan would use to send my rollover savings to my new 401(k) plan	1	2	3
f. Other:	1	2	3

A69

Overall, how challenging was it to understand your new 401(k) plan's requirements for a plan-to-plan rollover?

1. Very challenging
2. Somewhat challenging
3. Not too challenging

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4. Not at all challenging
5. I don't know or remember

A70

Why was it challenging for you to understand your new 401(k) plan's rollover requirements?

a. I didn't know who to ask or where to look for information about what my new 401(k) plan required for a rollover
b. I didn't understand why my new 401(k) plan needed what it asked of me
c. The instructions for the rollover request form were complicated and difficult to understand
d. I was unclear how some of the questions or information being asked in the rollover request form applied to my situation
e. I didn't understand the roles and responsibilities of my old and new 401(k) plan in completing my rollover
f. There were too many steps to follow to go through my new 401(k) plan's rollover process
g. No one from my new 401(k) plan or employer was available to help me
h. I didn't have help from an independent financial or retirement advisor
i. Other:
j. I don't know or remember

Request Plan-to-Plan Rollover

Your responses indicated that you submitted a request for a plan-to-plan rollover of your savings from your old 401(k) plan to your new 401(k) plan. The next set of questions will continue to ask about your experience with your new 401(k) plan regarding your plan-to-plan rollover request.

A71

How did you request a rollover of your savings to your new 401(k) plan?

a. I made a request from my new 401(k) plan
b. I made a request from my new employer

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c. My retirement or financial advisor did it for me

d. I didn't; I only submitted a rollover request to my old 401(k) plan

e. I don't know or remember

A71_followup_a

I made a request to my new 401(k) plan:

i. On their website

ii. In person

iii. By phone

iv. By email

v. By fax

vi. By paper mail

vii. I don't know or remember

A71_followup_b

I made a request to my new employer:

i. On their website

ii. In person

iii. By phone

iv. By email

v. By fax

vi. By paper mail

vii. I don't know or remember

A73

Did you attempt to certify to your new 401(k) plan that your savings to be rolled over (from your old 401(k) plan) came from an eligible plan under federal tax rules?

42

1. Yes
2. No
3. I don't know or remember

A73_followup

Why didn't you attempt to certify to your new 401(k) plan that your savings to be rolled over (from your old 401(k) plan) came from an eligible plan under federal tax rules?

1. My new plan never asked for this certification
2. The requirements for certification were too difficult
3. I changed my mind about pursuing a plan-to-plan rollover
4. Other:
5. I don't know or remember

A72

What did your new 401(k) plan require from you to show or certify that your savings to be rolled over from your old 401(k) plan come from an eligible plan under federal tax rules?

1. I had to ask my old 401(k) plan to fill out and sign a paper certification form provided by my new 401(k) plan
2. I had to ask my old 401(k) plan to fill out and sign an electronic certification form provided by my new 401(k) plan
3. I had to ask my old 401(k) plan to provide a certification letter from the IRS to my new 401(k) plan
4. I had to ask my old 401(k) plan to provide a letter to my new 401(k) plan stating that my old 401(k) plan has an IRS certification letter:
5. Other:
6. I don't know or remember

A72_follow_up_a

How did you provide the completed paper certification form to your new 401(k) plan?

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1. My old 401(k) plan mailed the completed form directly to my new 401(k) plan
2. My old 401(k) plan return returned the completed form to me and then I mailed the form to the new 401(k) plan
3. I did not provide the form
4. I don't know or remember

A72_follow_up_b

How did you provide the completed electronic certification form to your new 401(k) plan?

1. My old 401(k) plan sent the completed form directly to my new 401(k) plan
2. My old 401(k) plan returned the completed form to me and then I sent the form to my new 401(k)
3. I did not provide the form
4. I don't know or remember

A72_follow_up_c

How did you provide the certification letter from the IRS to your new 401(k) plan?

1. My old 401(k) plan sent the letter directly to my new 401(k) plan
2. My old 401(k) plan sent the letter to me and then I sent the letter to my new 401(k) plan
3. I did not provide the form
4. I don't know or remember

A72_follow_up_d

How did you provide the letter stating that your old 401(k) plan has an IRS certification letter to your new 401(k) plan?

1. My old 401(k) plan sent the letter directly to my new 401(k) plan
2. My old 401(k) plan sent the letter to me and then I sent the letter to my new 401(k) plan
3. I did not provide the letter

4. I don't know or remember

A74

How challenging was it for you to show or certify that the savings to be rolled over (from your old 401(k) plan) came from an eligible plan under federal tax rules?

1. Very challenging
2. Somewhat challenging
3. Not too challenging
4. Not at all challenging
5. I don't know or remember

A75

Why was it challenging to show or certify that the savings to be rolled over (from your old 401(k) plan) came from an eligible plan under federal tax rules?

a. I didn't fully understand what my new 401(k) plan needed me to do
b. I had trouble getting my old 401(k) plan to fill out and return the certification form
c. I had to ask my old 401(k) plan for additional information or resubmit the form to my new 401(k) plan
d. The rollover could not be completed without the certification form which had to be sent by paper mail which took a long time
e. It was difficult to be the intermediary between my new 401(k) plan that required the documentation and my old 401(k) plan that needed to provide it
f. My old and new 401(k) plan did not work together to process my rollover request
g. The certification process was not standardized because my old and new 401(k) plan had different procedures, requirements, or forms
h. I didn't know whether I should contact my old or new 401(k) plan or employer to answer my questions about the process
i. Other:
j. I don't know or remember

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A76

Were you able to show or certify to your new 401(k) plan that your savings to be rolled over (from your old 401(k) plan) came from an eligible plan under federal tax rules?

1. Yes
2. No
3. I don't know or remember

A77

Overall, how challenging was it to comply with your new 401(k) plan's requirements for a plan-to-plan rollover?

1. Very challenging
2. Somewhat challenging
3. Not too challenging
4. Not at all challenging
5. I don't know or remember

A78

Why was it challenging for you to comply with your new 401(k) plan's requirements for a plan-to-plan rollover?

a. I didn't fully understand the form
b. I couldn't get any help to complete the form
c. I didn't have or know where to get some of the information my new 401(k) plan's form required
d. I didn't know where to send the completed form(s)
e. My new 401(k) plan did not accept forms electronically and mailing paper forms took a long time
f. It took too much time or effort

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g. My new 401(k) plan told me what was required but did not help me do what was needed

h. My old 401(k) plan did not help me with what my new 401(k) plan required

i. It was difficult to know what was happening because my old and new 401(k) plan did not communicate with each other directly

j. Other:

k. I don't know or remember

A79

What could have helped you complete your new 401(k) plan's requirements for a plan-to-plan rollover?

a. My old and new 401(k) plans could have followed a standardized process and forms

b. My old and new 401(k) plan could have worked directly with each other

c. My old 401(k) plan could have helped me complete the rollover process, such as completing or submitting the required forms for me

d. My new 401(k) plan could have helped me complete the rollover process, such as completing or submitting the required forms for me

e. An independent financial or retirement advisor could have helped me complete the rollover process, such as completing or submitting the required forms

f. Other:

g. I don't know or remember

A80

Did your new 401(k) plan charge any fees to roll over plan savings from another 401(k) plan?

1. Yes

2. No

3. I don't know or remember

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A80_followup_a

What was the total amount of the fees that your new 401(k) plan charged to roll over savings from another 401(k) plan?

a. Less than $50

b. $50 or more

c. I don't know or remember

A81 [S]

After you submitted your rollover request, how many additional times did you need to contact your new 401(k) plan or employer to follow-up on your request?

1. None, the initial request was the only one I made
2. 1 time
3. 2 or 3 times
4. 4 times or more
5. I don't know or remember

A82

Overall, how satisfied were you with how your new 401(k) plan or employer addressed your request for a plan-to-plan rollover?

1. Very satisfied
2. Somewhat satisfied
3. Not too satisfied
4. Not at all satisfied
5. I don't know or remember

A83

Which of the following explains why you were not more satisfied with how your new 401(k) plan implemented your request for a plan-to-plan rollover?

a. It took a long time for my new 401(k) plan to process my request and receive my rollover savings

b. My new 401(k) plan would not accept an electronic transfer from my old 401(k) plan

c. I had to contact my new 401(k) plan several times to get them to process my request and accept my rollover savings

d. The status of my rollover request or the cause of delays were not always clear

e. My new 401(k) plan would not work with my old 401(k) plan directly to obtain information they needed and to process the transfer of my savings

f. The company that managed my new 401(k) plan tried to discourage me from completing a plan-to-plan rollover

g. I had problems with the fees my new 401(k) plan charged

h. Other:

i. I don't know or remember

A83_followup_g

What problems did you have with the fees your new 401(k) plan charged?

a. I felt that the fees were too high

b. My plan did not clearly explain the fees

c. I was charged fees that I did not expect to be charged

d. Other:

Hypothetical Options

The next set of questions will ask about several hypothetical options related to tracking, consolidating, and managing 401(k) plan savings.

A84

Based on your experience with 401(k) plan rollovers, would you have wanted to have access to a secure website (at no cost to you) that included information about all your 401(k) plans from your entire career? *Information would include account balance, plan provider contact information, and other plan details.*

1. Yes
2. No

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3. Not sure

A85

Based on your experience with 401(k) plan rollovers, would you have wanted to have the ability to do a plan-to-plan rollover online without having to submit paperwork or speak with anyone?

1. Yes
2. No
3. Not sure

A86

Based on your experience with 401(k) plan rollovers, would you have wanted your 401(k) plan savings to be transferred automatically from your old plan to your new plan after you left your job without you having to take any action? Y*ou would have time to consider the option and opt out of the transfer if you preferred.*

1. Yes
2. No
3. Not sure

A87

Based on your experience with 401(k) plan rollovers, would you have wanted to have one lifetime retirement savings plan that stayed with you throughout your career (even if you change jobs), that you and your current employer could contribute to?

1. Yes
2. No
3. Not sure

A88

Based on your experience with 401(k) plan rollovers, would you have wanted your savings in any inactive 401(k) plans (from prior jobs) to be transferred automatically and consolidated into a separate single plan, that guaranteed your savings would not be reduced by fees or charges, until you were ready to take withdrawals or roll over those savings? *You would have time to consider the option and opt out if you preferred.*

1. Yes
2. No
3. Not sure

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Did Do Rollover

Based on your responses, you completed a rollover of your 401(k) plan savings to another 401(k) plan in the last 3 years.

Your responses to the following questions will help us understand your reasons for and experiences with a plan-to-plan rollover. The questions will ask about:

(1) your overall 401(k) plan rollover experience,

(2) your interactions with your old 401(k) plan or employer, and

(3) your interactions with your new 401(k) plan or employer.

Throughout this survey, we refer to the 401(k) plan from which you could have withdrawn your savings after you left your job as your "old 401(k) plan," and the 401(k) plan to which you could have rolled over your savings as the "new 401(k) plan." We refer to this type of rollover as a "plan-to-plan" rollover, which is different from an "IRA-to-plan" or "plan-to-IRA" rollover.

If you have completed more than one plan-to-plan rollover in the last 3 years, please respond to the following questions based on your most recent experience.

B4

When did you initially decide you were going to roll over your retirement savings from your old to your new 401(k) plan? *The decision to roll over your 401(k) plan savings may not be at the same time as when you rolled over your savings. If you have completed more than one plan-to-plan rollover in the last 3 years, please respond to the following questions based on your most recent experience.*

1. Before I left my job with my old employer
2. After I left my job with my old employer but before I started working for another employer that provided me the new 401(k) plan
3. After I started working for another employer that provided me the new 401(k) plan
4. I don't know or remember

B12

Which of the following best explains why you decided to complete a plan-to-plan rollover?

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1. I wanted to consolidate my 401(k) plan savings together in my current employer's plan
2. I preferred my new 401(k) plan over my old 401(k) plan
3. My old 401(k) plan did not allow me to withdraw some of my savings and keep the remaining balance in the plan
4. My new 401(k) plan actively encouraged me to roll over my savings from my old 401(k) plan
5. My new employer actively encouraged me to roll over my savings from my old 401(k) plan
6. I preferred my new 401(k) plan over an IRA
7. I preferred my new 401(k) plan over an annuity
8. My financial advisor recommended it
9. My friends, family, or co-workers recommended it
10. Other:
11. I don't know or remember

B12_followup_b

I preferred my new 401(k) plan over my old 401(k) plan because:

a. My new 401(k) plan charged lower fees
b. My new 401(k) plan provided more favorable company contributions
c. I preferred the investment options in my new 401(k) plan
d. My new 401(k) plan offered greater flexibility in terms of loans or withdrawal options
e. I preferred the company that managed my new 401(k)
f. Other:

B12_followup_e

I preferred my new 401(k) plan over an IRA because:

a. My new 401(k) plan charged lower fees

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b. My new 401(k) plan provided company contributions

c. I preferred the investment options in my new 401(k) plan

d. My new 401(k) plan offered greater flexibility in terms of loans and withdrawal options

e. I preferred the company that managed my new 401(k)

f. Other:

B5

Did any of the following factors influence your decision to roll over your retirement savings from your old to your new 401(k) plan? *In the responses below, your "401(k) plan" refers to the company your employer hires to manage your plan and "employer" refers to individuals who are employed by your company, such as those in human resources (HR).*

a. Materials or resources provided by my old 401(k) plan or old employer

b. Materials or resources provided by my new 401(k) plan or new employer

c. My financial situation at the time

d. My new 401(k) plan or new employer actively encouraged me to do a rollover

e. My own independent research (such as on the Internet)

f. Materials, resources, or information from the U.S. Department of Labor or the Internal Revenue Service (IRS)

g. My friends, family, or co-workers

h. An independent financial or retirement advisor not affiliated with my old or new 401(k) plan or employer

i. My prior knowledge of or experience with rolling over retirement account savings

j. My limited time or patience

k. My understanding of financial topics including saving, investing and debt

l. My employment status at my new employer

m. Other:

n. I don't know or remember

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B6

At the time you decided you were going to roll over your retirement savings from your old to your new 401(k) plan, what was your understanding of what you could do with your retirement savings after you left your job with your old employer? *Your understanding of your options may not be the same as what is allowed. Please select the option(s) that best reflects your understanding when you made a decision.*

a. I could cash out some or all of my plan savings (and do what I choose)

b. I could roll over some or all of my plan savings to an IRA

c. I could roll over some or all of my plan savings to another 401(k) plan

d. I may be able to leave my savings in my old 401(k) plan

e. I could roll over some or all of my plan savings to an annuity

f. I don't know or remember

B7

After you started your job with your new employer, when did you begin the process to roll over your retirement savings from your old to your new 401(k) plan? *Please select the option that reflects your best estimate of when you began your plan-to-plan rollover.*

1. Within 1 month after I started my new job
2. More than 1 month but less than 3 months after I started my new job
3. More than 3 months but less than 6 months after I started my new job
4. More than 6 months but less than 1 year after I started my new job
5. More than 1 year but less than 3 years after I started my new job
6. I don't know or remember

B8

Before this rollover, did you have any prior experience with a plan-to-plan rollover? *Please select the option that best reflects your experience with the plan-to-plan rollover process. A plan-to-plan rollover involves transferring savings from an old employer's 401(k) plan into a new employer's 401(k) plan.*

1. Yes, I completed a plan-to-plan rollover before

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2. Yes, I attempted but did not complete a plan-to-plan rollover
3. No, but I previously completed a different type of rollover (plan-to-IRA or IRA-to-plan)
4. No, but I had some general knowledge about rollovers
5. No, I had no experience with or knowledge of retirement savings account rollovers
6. I don't know or remember

B9

How much savings was in your old 401(k) plan when you rolled over your account to your new 401(k) plan? *Please select your best estimate of your entire 401(k) plan account balance, even if you did not roll over all of your savings to your new 401(k) plan.*

1. $1,000 or less
2. $1,001 to $5,000
3. $5,001 to $25,000
4. $25,001 to $50,000
5. $50,001 to $100,000
6. $100,001 to $150,000
7. $150,001 to $200,000
8. $200,001 to 250,000
9. More than $250,000
10. I don't know or remember

B10

What portion of your old 401(k) plan savings did you roll over into your new 401(k) plan?

1. Less than 50%
2. 50% to less than 100%
3. 100%

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4. I don't know or remember

B11

What did you do with the portion of your old 401(k) plan savings that you did not roll over to your new 401(k) plan?

a. I kept my remaining plan savings in my old 401(k) plan

b. I cashed out my remaining plan savings (and did what I chose with it)

c. I rolled over my remaining plan savings to an IRA

d. I rolled over my remaining plan savings to an annuity

e. I don't know or remember

B13

How was your old 401(k) plan savings rolled over to your new 401(k) plan?

1. My old 401(k) plan paid my savings to my new 401(k) plan
2. My old 401(k) plan paid my savings to me
3. I don't know or remember

B13_followup_1

My old 401(k) plan paid my savings to my new 401(k) plan:

1. By sending a check or electronic transfer directly to my new 401(k) plan
2. By sending me a check payable to my new 401(k) plan that I then sent to my new 401(k) plan
3. I don't know or remember

B13_followup_2

My old 401(k) plan paid my savings to me:

1. By sending a check payable to me; I then endorsed and sent that same check to my new 401(k) plan

2. By sending a check or electronic transfer directly to me; I then sent my own separate check or electronically transferred the savings to my new 401(k) plan
3. I don't know or remember

B14

How much time did it take from when you requested a rollover of your savings from your old 401(k) plan to when those savings were deposited into your new 401(k) plan? *Please provide your best estimate of the length of time it took to complete your plan-to-plan rollover after you submitted your request.*

1. Within a week
2. More than a week but less than 2 weeks
3. More than 2 weeks but less than a month
4. More than a month but less than 2 months
5. More than 2 months but less than 3 months
6. More than 3 months
7. I don't know or remember

B15

Are your old 401(k) plan and your new 401(k) plan managed by the same or different companies? *Questions and requests about your 401(k) plan may be handled by the company your employer selects to manage the plan, such as through that company's Internet website or customer service representatives.*

1. Both plans were managed by the same company
2. Each plan was managed by a different company
3. I don't know or remember

B16

Overall, how challenging did you find your plan-to-plan rollover process to be?

1. Very challenging
2. Somewhat challenging

3. Not too challenging
4. Not at all challenging
5. I don't know or remember

B17

How likely are you to pursue a plan-to-plan rollover in the future?

1. Very likely
2. Somewhat likely
3. Not too likely
4. Not at all likely
5. I don't know

The next set of questions will ask about your interactions with your old 401(k) plan or employer.

B18

Did you interact with your old 401(k) plan or old employer regarding your plan-to-plan rollover? *Your "401(k) plan" refers to the company your employer hires to manage your plan and "employer" refers to individuals who are employed by your company, such as those in human resources (HR). Interactions can occur by phone, paper mail, email, in-person, or through a website.*

1. I interacted with my old 401(k) plan only
2. I interacted with my old employer only
3. I interacted with both my old 401(k) plan and old employer
4. I did not interact with my old 401(k) plan or old employer
5. I don't know or remember

B19

Did your old 401(k) plan or employer provide any unsolicited written information that explained what you can do with your plan savings and the tax consequences around the time or after you left your job? *"Unsolicited written information" in this question refers to information they provided*

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to you without you asking for it regarding options for your plan savings and their tax consequences. This does not refer to regular mailing of your account statements. Please select the option that best reflects the information you received, regardless of whether you fully read or understood the information.

1. Yes, I periodically received this information while I was working for my old employer
2. Yes, I received this information at or around the time my employer became aware that I would be leaving my job
3. Yes, I received this information at or around the time I left my job with my old employer
4. Yes, I received this information after I had started working at my new job
5. No, I never received this type of information
6. I don't know or remember

B19_followup

When did you receive the unsolicited written information explaining what you can do with your plan savings and the tax consequences?

1. I received it before I decided what to do with my plan savings
2. I received it at or around the time I decided what to do with my plan savings
3. I received it after I had decided what to do with my plan savings
4. I don't know or remember

B20

Did you read the unsolicited written information provided by your old 401(k) plan or employer about what you could do with your plan savings and their tax consequences after you leave your job?

1. I read most or all of the information
2. I read some of the information
3. I read only a little of the information
4. I did not read any of the information

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5. I don't know or remember

B20_followup

I did not read any of the information because:

a. I was already familiar with the options for my savings and their tax consequences

b. I never got around to it

c. I wasn't interested

d. I didn't have the time

e. It seemed complicated

f. I lost or misplaced it

g. I don't know or remember

B21

What was your level of understanding of the unsolicited written information provided by your old 401(k) plan or employer?

1. I understood most or all of the information
2. I understood some of the information
3. I understood only a little of the information
4. I did not understand any of the information
5. I don't know or remember

B22

Based on your reading of the unsolicited written information from your old 401(k) plan or employer, what was your understanding about what you could do with your retirement plan savings after you left your job?

a. I could cash out some or all of my plan savings (and do what I choose)

b. I could roll over some or all of my plan savings to an IRA

c. I could roll over some or all of my plan savings to another 401(k) plan

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d. I could roll over some or all of my savings to an annuity

e. Other:

f. I don't know or remember

B23

How useful was the unsolicited written information from your old 401(k) plan or employer in helping you understand what you can do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

B24

What could have made the unsolicited written information from your old 401(k) plan or employer more useful in helping you understand what you could do with your plan savings after you left your job?

a. It could have been more to the point

b. It could have been written in a way that was easier to understand

c. It could have explained my options using example scenarios

d. It could have explained the necessary steps to implement the various options

e. It could have referred me to someone I could contact to answer my questions

f. It could have been provided electronically

g. It could have been provided earlier

h. Other:

i. Nothing, because I was already familiar with what I could do with my plan savings

j. I don't know or remember

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B24_b

Why did you find the unsolicited written information from your old 401(k) plan or employer to be very useful in helping you understand what you could do with your plan savings after you left your job?

a. It was to the point

b. It was written in a way that was easy to understand

c. It explained my options using example scenarios

d. It explained the necessary steps to implement the various options

e. It referred me to someone I could contact to answer my questions

f. It was provided electronically

g. It was provided in a timely manner

h. Other:

i. I don't know or remember

B25

Based on the unsolicited written information from your old 401(k) plan or employer, what was your understanding of the tax consequences of what you can do with your plan savings after you left your job?

	Yes	No	Don't know or remember
a. If I roll over my plan savings to another 401(k) plan, an IRA, or an annuity, I can avoid paying taxes until I take a withdrawal	1	2	3
b. If I cash out any or all of my plan savings, I must pay taxes and potentially also early withdrawal penalties	1	2	3
c. If I cash out my plan savings and then decide to roll over my entire account balance to another 401(k) plan, an IRA, or an annuity, I must add additional funds to	1	2	3

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make up for federal taxes that were withheld and deposit the savings into the new plan within 60 days to avoid taxes and potential penalties			
d. If I leave my savings in my old 401(k) plan, I can avoid paying taxes until I take a withdrawal	1	2	3
e. Other:	1	2	3

B26

How useful was the unsolicited written information from your old 401(k) plan or employer in helping you understand the tax consequences of what you can do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

B27

What could have made the unsolicited written information from your old 401(k) plan or employer more useful in helping you understand the tax consequences of what you can do with your plan savings after you left your job?

a. It could have been more to the point
b. It could have been written in a way that was easier to understand
c. It could have explained tax consequences using example scenarios
d. It could have referred me to someone I could contact to answer my questions
e. It could have been provided electronically
f. It could have been provided earlier
g. Other:

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h. Nothing, because I was already familiar with the tax consequences of what I could do with my plan savings

i. I don't know or remember

B27_b

Why did you find the unsolicited written information from your old 401(k) plan or employer to be very useful in helping you understand the tax consequences of what you can do with your plan savings after you left your job?

a. It was to the point

b. It was written in a way that was easy to understand

c. It explained tax consequences using example scenarios

d. It referred me to someone I could contact to answer my questions

e. It was provided electronically

f. It was provided in a timely manner

g. Other:

h. I don't know or remember

B28

Which of the following resources from your old 401(k) plan or employer did you use to help you decide what do to with your plan savings after you left your job? *These resources do not refer to the unsolicited written information discussed in the prior questions. Your plan or employer may not have made any or all of these resources available.*

a. Materials or presentations (either online, print, or provided in-person) that explained the options for what I could do with my plan savings

b. Online calculators or interactive tools that allowed me to enter information about my situation to see the potential effects of different options on my retirement savings or tax obligations

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c. A computer application or robo-advisor that provided advice or recommendations about a specific option based on my individual circumstances or financial situation

d. Ability to speak with someone who could explain my options and answer general questions

e. Ability to speak with someone who could provide advice or recommendations based on my individual circumstances or financial situation

f. None of the above

g. I don't know or remember

B29

How useful were the resources from your old 401(k) plan or employer in helping you understand what you can do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

B30

What could have made the resources from your old 401(k) plan or employer more useful in helping you understand what you could do with your plan savings after you left your job?

a. I could have been made better aware that the resources were available

b. The resources could have been easier to access

c. The resources could have been more to the point

d. The resources could have been easier to understand

e. The resources could have explained the options by using example scenarios

f. I could have been encouraged to use the resources

g. The resources could have helped me consolidate my retirement savings in my new 401(k) plan

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h. Other:

i. I don't know or remember

B30_b

Why did you find the resources from your old 401(k) plan or employer to be very useful in helping you understand what you could do with your plan savings after you left your job?

a. I was made well-aware that the resources were available

b. The resources were easy to access

c. The resources were to the point

d. The resources were easy to understand

e. The resources explained the options by using example scenarios

f. I was encouraged to use the resources

g. The resources helped me consolidate my retirement savings in my new 401(k) plan

h. Other:

i. I don't know or remember

B31

How useful were the resources from your old 401(k) plan or employer in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

B32

What could have made the resources from your old 401(k) plan or employer more useful in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

a. I could have been made better aware that the resources were available

b. The resources could have been easier to access

c. The resources could have been more to the point

d. The resources could have been easier to understand

e. The resources could have explained the options by using example scenarios

f. I could have been encouraged to use the resources

g. The resources could have helped me consolidate my retirement savings in my new 401(k) plan

h. Other:

i. I don't know or remember

B32_b

Why did you find the resources from your old 401(k) plan or employer to be very useful in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

a. I was made well-aware that the resources were available

b. The resources were easy to access

c. The resources were to the point

d. The resources were easy to understand

e. The resources explained the options by using example scenarios

f. I was encouraged to use the resources

g. The resources helped me consolidate my retirement savings in my new 401(k) plan

h. Other:

i. I don't know or remember

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B33

Before you decided to roll over your old 401(k) plan savings, did you know that you may be able to keep your plan savings in your old 401(k) plan after you left your job?

1. Yes, I assumed I could take no action and leave my savings in the plan
2. Yes, because I had already kept my savings in my old 401(k) plan for a period of time after I left my job
3. Yes, I knew that keeping my savings in my old 401(k) plan after I leave my job may be an option
4. No, I did not know I may be able to keep my savings in my old 401(k) plan after I leave my job
5. I don't know or remember

B34

How did you become aware that you may be able to keep your plan savings in your old 401(k) plan after you left your job?

a. Materials, resources, or information provided by my old 401(k) plan or employer
b. Materials, resources, or information from the U.S. Department of Labor or the Internal Revenue Service (IRS)
c. My own independent research (such as on the Internet)
d. Friends, family, or co-workers
e. My financial or retirement advisor
f. My prior knowledge or experience managing my 401(k) plan savings after leaving jobs that I had before
g. I don't know or remember

B35

During the rollover process, did the company that managed your old 401(k) plan provide you information or offer to roll over your savings to an IRA? Information about or *an offer to roll over to an IRA could have been made in-person, by phone, by email or paper mail, or through their Internet website.*

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1. Yes
2. No
3. I don't know or remember

B36

How did you obtain information about your old 401(k) plan's rollover process and/or requirements?

a. I obtained information from my old 401(k) plan
b. I obtained information from my old employer
c. I didn't have to because my new 401(k) plan or employer did that for me
d. I didn't have to because my retirement or financial advisor did that for me
e. I don't know or remember

B36_followup_a

I obtained information from my old 401(k) plan:

i. From their website
ii. In person
iii. By phone
iv. By email
v. By fax
vi. By paper mail
vii. I don't know or remember

B36_followup_b

I obtained information from my old employer:

i. From their website
ii. In person

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iii. By phone

iv. By email

v. By fax

vi. By paper mail

vii. I don't know or remember

B37

What did your old 401(k) plan require from you to process your plan-to-plan rollover request?

	Required	Did Not Require	Don't know or remember
a. Complete, sign, and submit a form to request a rollover of my savings to my new 401(k) plan	1	2	3
b. Specify the amount or percentage of my plan savings I want to roll over to my new 401(k) plan	1	2	3
c. Provide information about whether my plan savings should be sent by check or electronic transfer	1	2	3
d. Provide information about whether my plan savings should be sent to me or to my new 401(k) plan	1	2	3
e. Confirm my personal information, such as my name and current address	1	2	3
f. Other:	1	2	3

B38

Overall, how challenging was it to understand your old 401(k) plan's requirements for a plan-to-plan rollover?

1. Very challenging
2. Somewhat challenging
3. Not too challenging
4. Not at all challenging
5. I don't know or remember

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B39

Why was it challenging to understand your old 401(k) plan's requirements for a plan-to-plan rollover?

a. I didn't know who to ask or where to look for information about what my old 401(k) plan required for a rollover

b. I didn't understand why my old 401(k) plan needed what it asked of me

c. The instructions for the rollover request form were complicated and difficult to understand

d. I was unclear how some of the questions or information being asked in the rollover request form applied to my situation

e. I didn't understand the roles and responsibilities of my old and new 401(k) plan in completing my rollover

f. There were too many steps to follow to go through my old 401(k) plan's rollover process

g. No one from my old 401(k) plan or employer was available to help me

h. I didn't have help from an independent financial or retirement advisor

i. Other:

j. I don't know or remember

B40

How did you request a rollover of your old 401(k) plan savings?

a. I made a request from my old 401(k) plan

b. I made a request from my old employer

c. My new 401(k) plan or employer did it for me

d. My retirement or financial advisor did it for me

e. I don't know or remember

B40_followup_a

I made a request from my old 401(k) plan:

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1. From their website
2. In person
3. By phone
4. By email
5. By fax
6. By paper mail
7. I don't know or remember

B40_followup_b

I made a request from my old employer:

1. From their website
2. In person
3. By phone
4. By email
5. By fax
6. By paper mail
7. I don't know or remember

B41

Overall, how challenging was it for you to comply with your old 401(k) plan's requirements for a plan-to-plan rollover?

1. Very challenging
2. Somewhat challenging
3. Not too challenging
4. Not at all challenging
5. I don't know or remember

B42

Why was it challenging for you to comply with your old 401(k) plan's requirements for a plan-to-plan rollover?

a. I didn't fully understand the form

b. I couldn't get any help to complete the rollover request form

c. I didn't have or know where to get some of the information my old 401(k) plan's form required

d. I didn't know where to send the completed form

e. It took too much time or effort to do what was required

f. My old 401(k) plan told me what was required but did not help me do what they needed

g. My old 401(k) plan did not help with what my new 401(k) plan required

h. It was difficult to know what was happening because my old and new 401(k) plans did not communicate with each other directly

i. My old 401(k) did not keep me updated on the status of the rollover request

j. Other:

k. I don't know or remember

B43

What could have helped you comply with your old 401(k) plan's requirements for a plan-to-plan rollover?

a. My old and new 401(k) plan could have followed a standardized process and forms

b. My old and new 401(k) plan could have worked directly with each other

c. My old 401(k) plan could have helped me complete the rollover process, such as completing or submitting the required forms for me

d. My new 401(k) plan could have helped me complete the rollover process, such as completing or submitting the required forms

e. An independent financial or retirement advisor could have helped me complete the rollover process, such as completing or submitting the required forms

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f. Other

g. I don't know or remember

B44

Did your old 401(k) plan charge any fees to roll over plan savings?

1. Yes
2. No
3. I don't know or remember

B44_followup_a

What was the total amount of the fees that your old 401(k) plan charged to roll over savings to another 401(k) plan?

1. Less than $50
2. $50 or more
3. I don't know or remember

B45

After you submitted your rollover request, how many additional times did you contact your old 401(k) plan or employer to follow-up on your request?

1. None, the initial request was the only one I made
2. 1 time
3. 2 to 3 times
4. 4 times or more
5. I don't know or remember

B46

Overall, how satisfied were you with how your old 401(k) plan or employer implemented your rollover request?

1. Very satisfied

2. Somewhat satisfied
3. Not too satisfied
4. Not at all satisfied
5. I don't know or remember

B46_followup_b

Why were you very satisfied with how your old 401(k) plan or employer implemented your rollover request?

a. Their process was simple and easy for me to comply with
b. They promptly processed my request and sent my savings
c. They worked directly with my new 401(k) plan or employer to process my request
d. They sent my savings directly to my new 401(k) plan
e. They kept me informed on the status of my request
f. They completed the required forms for me
g. The company that managed my old 401(k) plan encouraged me to complete a plan-to-plan rollover
h. They didn't charge me any fees to process my rollover request
i. They did everything for me; all I had to do was sign a form
j. The entire process was electronic
k. Other
l. I don't know or remember **[**

B47

Which of the following explains why you were not more satisfied with how your old 401(k) plan or employer implemented your rollover request?

a. It took a long time for my old 401(k) plan or employer to process my request and send my savings
b. My old 401(k) or employer wouldn't send my savings directly to my new 401(k) plan

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c. I had to contact my old 401(k) plan or employer several times to get them to process my request and send my savings

d. The status of my request or the cause of delays were not always clear

e. My old 401(k) plan or employer didn't withhold the proper amount of taxes before sending me my plan savings

f. The company that managed my old 401(k) plan tried to discourage me from completing a plan-to-plan rollover

g. I had a problem with the fees I was charged

h. Other

i. I don't know or remember

B47_followup_g

What problems did you have with the fees you were charged?

a. I felt that the fees were too high

b. My plan did not clearly explain the fees

c. I was charged fees that I did not expect to be charged

d. Other:

Your interactions with your new 401(k) plan or your new employer

The next set of questions will ask about your interactions with your new 401(k) plan or employer. *Interactions can occur by phone, paper mail, email, in-person, or through a website.*

B48

How did you know that your new 401(k) plan accepted rollovers from other 401(k) plans?

a. I assumed my new 401(k) plan would accept my rollover

b. Someone told me during new employee orientation or other on-boarding activities after I started my new job

c. A co-worker at my new employer told me my new 401(k) plan accepts rollovers from other 401(k) plans

d. My new 401(k) plan's documents (printed or on their website) said the plan accepted rollovers from other 401(k) plans

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e. I contacted my new 401(k) plan to confirm that my rollover would be accepted

f. My new 401(k) plan actively encouraged me to roll over savings from my old 401(k) plan

g. My financial or retirement advisor looked into it and told me I could roll over my old 401(k) plan savings to my new plan

h. I don't know or remember

B49

When did your new 401(k) plan allow you to roll over savings from your old 401(k) plan?

1. I could do it immediately after I signed up with my new 401(k) plan
2. I had to wait a period of time after I signed up with my new 401(k) plan
3. I don't know or remember

B50

Did you interact with your new 401(k) plan or new employer regarding your plan-to-plan rollover? *Interactions can occur by phone, paper mail, email, in-person, or through a website.*

1. I interacted with my new 401(k) plan only
2. I interacted with my new employer only
3. I interacted with both my new 401(k) plan and new employer
4. I did not interact with either my new 401(k) plan or new employer
5. I don't know or remember

B51

What information did your new employer provide you about your new 401(k) plan at or around the time you were first hired?

	Provided	Did not provide	Don't know or remember
e. General information about the terms of the plan and employee eligibility to join	1	2	3

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f. Plan forms, such as those to sign up, specify the amount of employee contribution, and designate beneficiaries	1	2	3
g. Information about eligibility to roll over savings from other 401(k) plans or IRAs	1	2	3
h. Other:	1	2	3

B52

Which of the following resources from your new 401(k) plan or new employer did you use to help you decide what do to with your plan savings after you left your job? *Your plan or employer may not have made any or all of these resources available.*

a. Materials or presentations (either online, printed, or provided in-person) that explained the options for what I could do with my plan savings

b. Online calculators or interactive tools that allowed me to enter information about my situation to see the potential effects of the different options on my retirement savings or tax obligations

c. Ability to speak with someone who could explain my options and answer my general questions

d. A computer application or robo-advisor that provided advice or recommendations about a specific option based on my individual circumstances or financial situation

e. Ability to speak with someone who provided me advice or a recommendation about a specific option based on my individual circumstances or financial situation

f. None of the above

g. I don't know or remember

B53

How useful were the resources from your new 401(k) plan or employer in helping you understand what you could do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful

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5. I don't know or remember

B54

What could have made the resources from your new 401(k) plan or employer more useful in helping you understand what you could do with your old 401(k) plan savings after you left your job?

a. I could have been made better aware that the resources were available

b. The resources could have been easier to access

c. The resources could have been more to the point

d. The resources could have been easier to understand

e. The resources could have explained the options by using example scenarios

f. I could have been encouraged to use the resources

g. The resources could have helped me consolidate my retirement savings in my new 401(k) plan

h. Other

i. I don't know or remember

B54_b

Why did you find the resources from your new 401(k) plan or employer to be very useful in helping you understand what you could do with your old 401(k) plan savings after you left your job?

a. I was made well-aware that the resources were available

b. The resources were easier to access

c. The resources were to the point

d. The resources were easy to understand

e. The resources explained the options by using example scenarios

f. I was encouraged to use the resources

g. The resources helped me consolidate my retirement savings in my new 401(k) plan

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h. Other

i. I don't know or remember

B55

How useful were the resources from your new 401(k) plan or employer in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

1. Very useful
2. Somewhat useful
3. Not too useful
4. Not at all useful
5. I don't know or remember

B56

What could have made the resources from your new 401(k) plan or employer more useful in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

a. I could have been made better aware of the resources

b. The resources could have been more to the point

c. The resources could have been easier to understand

d. The resources could have explained the tax consequences by using example scenarios

e. I could have been encouraged to use the resources

f. The resources could have helped me consolidate my retirement savings in my new 401(k) plan

g. Other:

h. I don't know or remember

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B56_b

Why did you find the resources from your new 401(k) plan or employer to be very useful in helping you understand the tax consequences of what you could do with your plan savings after you left your job?

a. I was made well-aware of the resources

b. The resources were to the point

c. The resources were easy to understand

d. The resources explained the tax consequences by using example scenarios

e. I was encouraged to use the resources

f. The resources helped me consolidate my retirement savings in my new 401(k) plan

g. Other**:**

h. I don't know or remember

B57

During the rollover process, did the company that managed your new 401(k) plan provide you information or offer to roll over your savings to an IRA? *Information about or an offer to roll over to an IRA could have been made in-person, by phone, by email or paper mail, or through their Internet website.*

1. Yes
2. No
3. I don't know or remember

B58

How did you obtain information about your new 401(k) plan's rollover process and/or requirements?

a. I obtained information from my new 401(k) plan

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b. I obtained information from my new employer

c. I didn't have to because my retirement or financial advisor did that for me [S]

d. I don't know or remember

B58_followup_a

I obtained information from my new 401(k) plan:

I. From their website

II. In person

III. By phone

IV. By email

V. By fax

VI. By paper mail

VII. I don't know or remember

B58_followup_b

I obtained information from my new employer:

I. From their website

II. In person

III. By phone

IV. By email

V. By fax

VI. By paper mail

VII. I don't know or remember

B59

What did your new 401(k) plan require from you to process your plan-to-plan rollover request?

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	Required	Did Not Require	Don't know or remember
a. Complete, sign, and submit a form to request a rollover of my old 401(k) plan savings to the new 401(k) plan	1	2	3
b. Specify the amount or percentage of my old 401(k) plan savings that I wanted to roll over to my new 401(k) plan	1	2	3
c. Provide a copy of my recent account statement(s) from my old 401(k) plan	1	2	3
d. Show that my savings to be rolled over (from my old plan) came from an eligible 401(k) plan under federal tax rules	1	2	3
e. Specify the method that I or my old 401(k) plan would use to send my rollover savings to my new 401(k) plan	1	2	3
f. Other:	1	2	3

B59_followup_e

Please specify the method that you or your old 401(k) plan used to send your rollover savings to your new 401(k) plan:

1. By paper check
2. By electronic transfer
3. I don't remember

B60

Overall, how challenging was it to understand your new 401(k) plan's requirements for a plan-to-plan rollover?

1. Very challenging
2. Somewhat challenging
3. Not too challenging
4. Not at all challenging
5. I don't know or remember

B61

Why was it challenging for you to understand your new 401(k) plan's rollover requirements?

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a. I didn't know who to ask or where to look for information about what my new 401(k) plan required for a rollover

b. I didn't understand why my new 401(k) plan needed what it asked of me

c. The instructions for the rollover request form were complicated and difficult to understand

d. I was unclear how some of the questions or information being asked in the rollover request form applied to my situation

e. I didn't understand the roles and responsibilities of my old and new 401(k) plan in completing my rollover

f. There were too many steps to follow to go through my new 401(k) plan's rollover process

g. No one from my new 401(k) plan or employer was available to help me

h. I didn't have help from an independent financial or retirement advisor

i. Other:

j. I don't know or remember

B62

How did you request a rollover of your savings to your new 401(k) plan?

a. I made a request from my new 401(k) plan

b. I made a request from my new employer

c. My retirement or financial advisor did it for me

d. I don't know or remember

B62_followup_a

I made a request from my new 401(k) plan

1. From their website

2. In person

3. By phone

4. By email

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5. By paper mail
6. I don't know or remember

B62_followup_b

I made a request from my new employer:

1. From their website
2. In person
3. By phone
4. By email
5. By paper mail
6. I don't know or remember

B63

What did your new 401(k) plan require from you to show or certify that your savings to be rolled over from your old 401(k) plan come from an eligible plan under federal tax rules?

1. I had to ask my old 401(k) plan to fill out and sign a paper certification form provided by my new 401(k) plan
2. I had to ask my old 401(k) plan to fill out and sign an electronic certification form provided by my new 401(k) plan
3. I had to ask my old 401(k) plan to provide a certification letter from the IRS to my new 401(k) plan
4. I had to ask my old 401(k) plan to provide a letter to my new 401(k) plan stating that my old 401(k) plan has an IRS certification letter.
5. Other:
6. I don't know or remember

B63_followup_a

How did you provide the completed paper certification form to your new 401(k) plan?

1. My old 401(k) plan mailed the completed form directly to my new 401(k) plan

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2. My old 401(k) plan return returned the completed form to me and then I mailed the form to the new 401(k) plan

3. I don't know or remember

B63_followup_b

How did you provide the completed electronic certification form to your new 401(k) plan?

1. My old 401(k) plan sent the completed form directly to my new 401(k) plan

2. My old 401(k) plan returned the completed form to me and then I sent the form to my new 401(k)

3. I don't know or remember

B63_followup_c

How did you provide the certification letter from the IRS to your new 401(k) plan?

1. My old 401(k) plan sent the letter directly to my new 401(k) plan

2. My old 401(k) plan sent the letter to me and then I sent the letter to my new 401(k) plan

3. I don't know or remember

B63_followup

How did you provide the letter stating that your old 401(k) plan has an IRS certification letter to your new 401(k) plan?

1. My old 401(k) plan sent the letter directly to my new 401(k) plan

2. My old 401(k) plan sent the letter to me and then I sent the letter to my new 401(k) plan

3. I don't know or remember

B64

How challenging was it for you to show or certify that the savings to be rolled over (from your old 401(k) plan) came from an eligible plan under federal tax rules?

1. Very challenging

2. Somewhat challenging
3. Not too challenging
4. Not at all challenging
5. I don't know or remember

B65

Why was it challenging to show or certify that the savings to be rolled over from your old 401(k) plan came from an eligible plan under federal tax rules?

a. I didn't fully understand what my new 401(k) plan needed me to do
b. I had trouble getting my old 401(k) plan to fill out and return the certification form
c. I had to ask my old 401(k) plan for additional information or resubmit the form to my new 401(k) plan
d. The rollover could not be completed without the certification form which had to be sent by paper mail which took a long time
e. It was difficult to be the intermediary between my new 401(k) plan that required the documentation and my old 401(k) plan that needed to provide it
f. My old and new 401(k) plan did not work together to process my rollover request
g. The certification process was not standardized because my old and new 401(k) plan had different procedures, requirements, or forms
h. I didn't know whether I should contact my old or new 401(k) plan or employer to answer my questions about the process
i. Other:
j. I don't know or remember

B66

Overall, how challenging was it to comply with your new 401(k) plan's requirements for a plan-to-plan rollover?

1. Very challenging
2. Somewhat challenging

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3. Not too challenging
4. Not at all challenging
5. I don't know or remember

B67

Why was it challenging for you to comply with your new 401(k) plan's requirements for a plan-to-plan rollover?

a. I didn't fully understand the form
b. I couldn't get any help to complete the form
c. I didn't have or know where to get some of the information my new 401(k) plan's form required
d. I didn't know where to send the completed form(s)
e. My new 401(k) plan did not accept forms electronically and mailing paper forms took a long time
f. It took too much time or effort
g. My new 401(k) plan told me what was required but did not help me do what was needed
h. My old 401(k) plan did not help me with what my new 401(k) plan required
i. It was difficult to know what was happening because my old and new 401(k) plan did not communicate with each other directly
j. Other:
k. I don't know or remember

B68

What could have helped you comply with your new 401(k) plan's requirements for a plan-to-plan rollover?

a. My old and new 401(k) plans could have followed a standardized process and forms
b. My old and new 401(k) plan could have worked directly with each other

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c. My old 401(k) plan could have helped me complete the rollover process, such as completing or submitting the required forms for me

d. My new 401(k) plan could have helped me complete the rollover process, such as completing or submitting the required forms for me

e. An independent financial or retirement advisor could have helped me complete the rollover process, such as completing or submitting the required forms

f. Other:

g. I don't know or remember

B69

Did your new 401(k) plan charge any fees to roll over plan savings from another 401(k) plan?

1. Yes
2. No
3. I don't know or remember

B69_followup_a

What was the total amount of the fees that your new 401(k) plan charged to roll over savings from another 401(k) plan?

1. Less than $50
2. $50 or more
3. I don't know or remember

B70

After you submitted your rollover request, how many additional times did you need to contact your new 401(k) plan or employer to follow-up on your request?

1. None, the initial request was the only one I made
2. 1 time
3. 2 or 3 times

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4. 4 times or more
5. I don't know or remember

B71

Overall, how satisfied were you with how your new 401(k) plan and/or employer implemented your request for a plan-to-plan rollover?

1. Very satisfied
2. Somewhat satisfied
3. Not too satisfied
4. Not at all satisfied
5. I don't know or remember

B71_followup_a

Why were you very satisfied with how your new 401(k) plan or employer implemented your rollover request?

a. Their process was simple and easy for me to comply with
b. They worked directly with my old 401(k) plan or employer to process my request
c. They kept me informed on the status of my request
d. They completed the required forms for me
e. The company that managed my new 401(k) plan encouraged me to complete a plan-to-plan rollover
f. They didn't charge me any fees to process my rollover request
g. They did everything for me; all I had to do was sign a form
h. The entire process was electronic
i. Other
j. I don't know or remember

B72

Which of the following explains why you were not more satisfied with how your new 401(k) plan implemented your request for a plan-to-plan rollover?

a. It took a long time for my new 401(k) plan to process my request and receive my rollover savings

b. My new 401(k) plan would not accept an electronic transfer from my old 401(k) plan

c. I had to contact my new 401(k) plan several times to get them to process my request and accept my rollover savings

d. The status of my rollover request or the cause of delays were not always clear

e. My new 401(k) plan would not work with my old 401(k) plan directly to obtain information they needed and to process the transfer of my savings

f. The company that managed my new 401(k) plan tried to discourage me from completing a plan-to-plan rollover

g. I had problems with the fees my new 401(k) plan charged

h. Other**:**

i. I don't know or remember

B72_followup_g

What problems did you have with the fees you were charged?

a. I felt that the fees were too high

b. My plan did not clearly explain the fees

c. I was charged fees that I did not expect to be charged

d. Other:

Hypothetical Options

The next set of questions will ask about several hypothetical options related to tracking, consolidating, and managing 401(k) plan savings.

B73

Based on your experience with 401(k) plan rollovers, would you have wanted to have access to a secure website (at no cost to you) that included information about all your 401(k) plans from

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your entire career? *Information would include account balance, plan provider contact information, and other plan details.*

1. Yes
2. No
3. Not sure

B74

Based on your experience with 401(k) plan rollovers, would you have wanted to have the ability to do a plan-to-plan rollover online without having to submit paperwork or speak with anyone?

1. Yes
2. No
3. Not sure

B75

Based on your experience with 401(k) plan rollovers, would you have wanted your 401(k) plan savings to be transferred automatically from your old plan to your new plan after you left your job without you having to take any action? Y*ou would have time to consider the option and opt out of the transfer if you preferred.*

1. Yes
2. No
3. Not sure

B76

Based on your experience with 401(k) plan rollovers, would you have wanted to have one lifetime retirement savings plan that stayed with you throughout your career (even if you change jobs), that you and your current employer could contribute to?

4. Yes
5. No
6. Not sure

B77

Based on your experience with 401(k) plan rollovers, would you have wanted your savings in any inactive 401(k) plans (from prior jobs) to be transferred automatically and consolidated into a separate single plan, that guaranteed your savings would not be reduced by fees or charges, until you were ready to take withdrawals or roll over those savings? *You would have time to consider the option and opt out if you preferred.*

1. Yes

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2. No
3. Not sure

[END OF SURVEY]

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Appendix IV: Comments from the Pension Benefit Guaranty Corporation

PBGC
Protecting America's Pensions
Pension Benefit Guaranty Corporation
445 12th Street SW, Washington, DC 20024-2101
Office of the Director

December 18, 2023

Tranchau (Kris) Nguyen
Director, Education, Workforce, and Income Security Issues
United States Government Accountability Office
Washington, DC 20548

RE: Government Accountability Office (GAO) January 2024 Draft Report GAO-24-103577, "401(k) PLANS: Additional Federal Actions Would Help Participants Track and Consolidate Their Retirement Savings"

Dear Ms. Nguyen:

Thank you for the opportunity to comment on the GAO's draft report, received November 17, 2023, related to GAO's engagement "401(k) Plans" (Engagement code 103577). We appreciate your office's work on this project and the research provided in the draft report. The matters for consideration by Congress and the agency recommendations are far-reaching, with significant implications for the roles played by federal agencies in the administration of private sector defined contribution retirement plans.

Pension Benefit Guaranty Corporation (PBGC) management met with representatives from GAO to discuss the findings and the concept of establishing a central consolidator of small inactive accounts. In addition, PBGC also met with representatives from the Department of Labor. The dialogue and GAO's research are very informative, and we appreciate the opportunity to respond to GAO's recommendation for PBGC.

We agree with the draft report's findings and recommendation. In the attachment to this letter, you will find our specific response to the recommendation included in the report, as well as our planned actions and estimated completion date.

We appreciate GAO's thoughtful work in this area.

Sincerely,

Gordon Hartogensis
Digitally signed by Gordon Hartogensis
Date: 2023.12.18 11:16:49 -05'00'

Gordon Hartogensis
Director

Attachment

202-229-4000 www.pbgc.gov

GAO Recommendation:

The Director of the PBGC should assess and report to Congress on the feasibility of amending current law to allow active 401(k) plans to transfer small inactive account balances subject to forced-transfers to the PBGC's program, currently known as the Missing Participants Program for terminated defined contribution plans.

PBGC Response:

PBGC agrees that further study is necessary to assess the feasibility of expanding PBGC's missing participants program as a means of establishing a central consolidator of small inactive 401(k) accounts. As GAO noted in its draft report, PBGC previously identified several issues of concern given the large scale of such a program relative to PBGC's existing programs. PBGC's feasibility study will further examine those issues, which include: the expected volume of initial and ongoing transfers of small inactive accounts to PBGC; data quality; data security; and agency capacity to stand-up and administer a system for receiving, verifying and processing individual inquires and claims for funds, and transfers out to account holders or their active 401(k) plans or individual retirement accounts (IRA).

In conducting the study, PBGC will consult with other agencies -- including the Department of Labor, the Department of the Treasury, and the Internal Revenue Service -- specifically on their ongoing work to implement related provisions enacted as part of the SECURE 2.0 legislation, and the separate recommendations GAO is making to those agencies.

Target Completion Date: December 31, 2024

Accessible Text for Appendix IV: Comments from the Pension Benefit Guaranty Corporation

Office of the Director

December 18, 2023

Tranchau (Kris) Nguyen
Director, Education, Workforce, and Income Security Issues
United States Government Accountability Office
Washington, DC 20548

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Target Completion Date: December 31, 2024

Appendix V: Comments from the Department of Labor

U.S. Department of Labor

Assistant Secretary for
Employee Benefits Security Administration
Washington, DC 20210

December 14, 2023

Tranchau (Kris) Nguyen
Director, Education, Workforce, and Income Security Issues
United States Government Accountability Office
Washington, DC 20548

Dear Ms. Nguyen:

Thank you for the opportunity to review the Government Accountability Office (GAO) draft report entitled "401(k) Plans: Additional Federal Actions Would Help Participants Track and Consolidate Their Retirement Savings" (GAO-24-103577). The draft report contains four recommendations, one to the Director of the Pension Benefit Guaranty Corporation (PBGC) (Recommendation 1), one to the Secretary of the Treasury (Recommendation 3), and the following two directed to the Secretary of Labor:

- The Secretary of Labor should take action to implement the ERISA Advisory Council's 2016 recommendation by issuing a Request for Information to explore how the agency can encourage and support the adoption of secure electronic data standards to facilitate the processing of plan-to-plan rollovers. (Recommendation 2)

- The Secretary of Labor should ensure that plan participants, at the time they leave their job and become eligible to take a retirement plan distribution, receive easily understandable information about all four distribution options and their associated tax consequences. Actions that could be taken include implementing the ERISA Advisory Council's 2015 recommendation, exploring a joint-agency effort with Treasury to update the 402(f) Notice, or other steps that would help plans develop clear and concise communications to inform participants. (Recommendation 4).

With respect to Recommendation 2, section 324 of the SECURE 2.0 Act of 2022 (SECURE 2.0) requires the Secretary of the Treasury or the Secretary's delegate to, not later than January 1, 2025, issue guidance in the form of sample forms (including relevant procedures and protocols) to simplify, standardize, facilitate, and expedite the completion of rollovers to eligible retirement plans (as defined in section 402(c)(8)(B) of the Internal Revenue Code) and trustee-to-trustee transfers from individual retirement plans (as defined in Code section 7701(a)(37). In light of the statutory directive issued to the Department of the Treasury, we are concerned that the Department of Labor acting on your recommendation may be at least premature, pending the outcome of the Treasury Department's guidance under section 324 of SECURE 2.0. We believe it makes more sense to assess whether and how the Department of Labor could encourage and support the adoption of electronic data standards, including formal public engagement with stakeholders, after the Treasury Department issues its guidance.

Also, as you know, the Department is currently working on regulations pursuant to section 120 of SECURE 2.0 to implement a statutory prohibited transaction exemption for "automatic portability providers" who administer programs under which employees' retirement savings may be automatically transferred to an IRA, and then to a new employer's plan, as applicable..[1] The Department is considering as part of this initiative proposing possible standards for such providers to safeguard portability data and to promptly remedy potential security breaches.

With respect to Recommendation 4, the Department is engaged in joint-agency efforts with the Treasury Department/Internal Revenue Service and the PBGC pursuant to section 319 of SECURE 2.0 to review and obtain stakeholder feedback concerning the effectiveness of disclosures to retirement plan participants required under ERISA and the Code, including the Code section 402(f) notice..[2] Following the review, the agencies are required to submit a report to Congress with recommendations for potential improvements to required disclosures. The Department believes that it would be appropriate to consider your recommendation and the recommendation of the ERISA Advisory Council as part of this tri-agency process.

In addition, please note that section 342 of SECURE 2.0 directs the Department to issue regulations requiring retirement plans to provide advance notice to participants and beneficiaries who are permitted to take lump sum distributions. This notice, which also must be furnished to the Department and the PBGC and made publicly available, must include specified information to help participants compare other distribution options and the potential consequences of taking a lump sum. On August 11, 2023, the Department issued a Request for Information on multiple provisions under SECURE 2.0, including section 342..[3] The public comments are posted on the Department's website at *www.dol.gov/agencies/ebsa/laws-and-regulations/rules-and-regulations/public-comments/1210-AC23*. The Department also will consider your recommendation as part of its work under section 342 of the SECURE 2.0 Act.

Thank you again for the opportunity to review your draft report and recommendations. Please do not hesitate to contact us if you have questions concerning this response or if we can be of further assistance.

Sincerely,

LISA GOMEZ Digitally signed by LISA GOMEZ Date: 2023.12.14 08:46:33 -05'00'

Lisa M. Gomez
Assistant Secretary

[1] The SECURE 2.0 provision expands an administrative prohibited transaction exemption that the Department issued in 2019 for certain automatic transfers of retirement savings into a new employer's plan when employees change jobs that was intended to help maintain participants' retirement savings in tax-favored accounts. *See* 84 FR 37337 (July 31, 2019).
[2] Section 402(f) of the Code is under the jurisdiction of the IRS.
[3] *See* 88 FR 54511.

Accessible Text for Appendix V: Comments from the Department of Labor

December 14, 2023

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Director, Education, Workforce, and Income Security Issues
United States Government Accountability Office
Washington, DC 20548

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-05'00'

Lisa M. Gomez
Assistant Secretary

[3] See 88 FR 54511.

Appendix VI: GAO Contact and Acknowledgments

GAO Contact

Tranchau (Kris) T. Nguyen at (202) 512-7215 or nguyentt@gao.gov

Staff Acknowledgments

In addition to the contact named above, Tamara Cross (Assistant Director), David Lin (Analyst-in-Charge), Anna Brunner, Danielle Curet, Kathryn Long, and Daniel Setlow made key contributions to this report. Also contributing to this report were James Ashley, Andrew Bellis, Chandler Dawson, Holly Dye, Abigail Loxton, Joel Marus, Amanda Miller, Catherine Morrissey, Rachel Stoiko, Curtia Taylor, Walter Vance, and Adam Wendel.

Related GAO Products

Older Households: Comparison of Income, Wealth, and Survival in the United States with Selected Countries. GAO-22-103950. Washington, DC: September 15, 2022.

401(k) Retirement Plans: Many Participants Do Not Understand Fee Information, but DOL Could Take Additional Steps to Help Them. GAO-21-357. Washington, D.C.: July 27, 2021.

The Nation's Retirement System: A Comprehensive Re-evaluation Is Needed to Better Promote Future Retirement Security. GAO-18-111SP. Washington, D.C.: October 18, 2017.

401(k) Plans: Greater Protections Needed for Forced Transfers and Inactive Accounts. GAO-15-73. Washington, D.C.: November 21, 2014.

401(k) Plans: Labor and IRS Could Improve the Rollover Process for Participants. GAO-13-30. Washington, D.C.: March 7, 2013.

Defined Contribution Plans: Approaches in Other Countries Offer Beneficial Strategies in Several Areas. GAO-12-328. Washington, D.C.: March 22, 2012.

Highlights of a Forum on Financial Literacy: Strengthening Partnerships in Challenging Times. GAO-12-299SP. Washington, D.C.: February 2012.

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