July 2025

Welcome to *Fiduciary Insights*, our monthly newsletter that keeps you in touch with issues, trends, events, and insights of significance to individuals connected with the retirement plan industry. The articles have been carefully selected from a variety of high-quality sources.

2025 IRS Limits for Retirement Plans have been Released, Please See Link Below

"2025 IRS Limits for Retirement Plans"

Reminder:
Please contact us to schedule enrollment/update meetings and plan level review meetings.
Also, we would like to schedule retirement planning sessions with your near retiree employees.

-- In This Month's Issue --

Quick Links

The SEC's Pro-Crypto Shift and Its Implications for 401k Integration

The SEC's 2025 regulatory reforms in crypto are transforming perceptions among institutional and individual investors by clarifying rules on staking, stablecoins, and custody. This shift aims to balance

Meeting the Challenges of Adding In-Plan Retirement Income Solutions

Retirement income solutions are becoming more popular, but challenges remain in their adoption and implementation within plans. During a Broadridge webinar on June 26, industry experts Jania Stout, innovation with investor protection. For retirement investors, the inclusion of cryptocurrencies in 401k plans presents potential for reshaping wealth-building strategies, alongside the need to carefully consider associated risks. However, ERISA fiduciaries must navigate risks associated with the high volatility of crypto markets and evolving regulations. Source: Ainvest.com

[How Can Participants Invest Their Retirement Money?]

In the past ten years, there has been ongoing debate about allowable investments in 401k plans and the criteria for evaluating them. The current administration's Department of Labor has shifted its stance, becoming more supportive of investments in cryptocurrencies and private equity while expressing skepticism towards ESG (Environmental, Social, and Governance) investment strategies. Here is a quick review.
Source: Beneficiallyyours.com

[IRS Issues Guidance on Uncashed Retirement Plan Checks]

The IRS has issued Revenue Ruling 2025-15, providing important clarification on the federal tax withholding and reporting obligations of retirement plan administrators when a distribution check is issued but not cashed, and a subsequent check is later issued to the participant. This guidance is especially significant for plan administrators managing situations involving missing participants or unclaimed distribution checks. The article highlights the main aspects of the ruling. Source: Huschblackwell.com

[More Historic Lows for 401k Mutual Fund Expense Ratios]

In 2024, 401k plan participants benefited from historically low average mutual fund expense ratios, according to a report by the Investment Company Institute released on July 16. The average expense ratio for equity mutual funds dropped by 66%, from 0.76% in 2000 to 0.26% in 2024. Additionally, the average expense ratios for hybrid mutual funds decreased by 44%, and for bond mutual funds, they fell by 69% over the same period. Source: 401kspecialistmag.com

[Navigating Cryptocurrency in Your 401k: Opportunities and Risks]

The Trump administration has reversed Biden-era guidance that cautioned against including cryptocurrency in 401k investment options. This allows retirement investors to access digital assets like Bitcoin and Ethereum through their 401ks. The previous advice urged plan fiduciaries to be very cautious about adding crypto options. The rollback may encourage more plan sponsors to offer these investments, but since sponsors

Nicole Corning, and Michael Kleeman discussed obstacles to integrating guaranteed income options and strategies for facilitating participants' transition from saving to spending. The webinar aimed to provide insights for advisors on how to engage with plan sponsors regarding these developments in retirement income solutions. Source: Napa-net.org

[Top 10 Benefits-Related Impacts of the One Big Beautiful Bill Act]

On July 4, 2025, President Trump signed the One Big Beautiful Bill Act, which includes various tax incentives for paid family leave, employer-provided child care, telehealth services, and education benefits. The act makes several tax credits from the Tax Cuts and Jobs Act of 2017 permanent, which may encourage more employers to offer related benefits. The article highlights key aspects of the budget reconciliation package relevant to employers and benefit plan sponsors. Source: Ifebp.org

[The Long-Term Power of Starting Early in a 401k]

The power of compounding is a vital advantage for 401k participants when saving for retirement. Compounding refers to the growth generated not just from the principal investment but also from the returns on that investment. To maximize the benefits of compounding, it’s essential to start saving early. By beginning in your twenties, you allow your investments more time to grow, making even smaller early contributions potentially more effective than larger later contributions due to the cumulative effects of compounding. Source: Savantwealth.com

[How Employers and Policymakers Can Help Improve Retirement Security]

Defined contribution plans support retirement savings, but they frequently struggle to provide a reliable income in retirement. Annuities can convert savings into lifelong income, but their adoption is low. Guaranteed income solutions are another option that can ensure retirees receive a consistent paycheck for life. A collaborative approach involving both private innovations and public policy is necessary to strengthen retirement outcomes, enabling more Americans to retire with dignity.
Source: Blackrock.com

[Mid-Year Regulatory and Legislative Update for DC Plan Sponsors]

With regulatory and legislative priorities starting to take form, it's important to consider potential developments for the remainder of 2025 and into 2026. Initial drafts of the One Big Beautiful Bill Act did not propose any changes to retirement plan contributions or taxation. However, a key area to monitor is the inclusion of permissible investments in defined contribution plan menus, particularly regarding alternative investments

still have fiduciary obligations, widespread adoption of cryptocurrency in 401k plans may not happen immediately.
Source: Investopedia.com

Unpacking the One Big Beautiful Bill's Employee Benefit Provisions

On July 4, 2025, President Trump enacted the One Big Beautiful Bill Act, a comprehensive tax and spending package that introduces significant changes to employee benefit plans. Key provisions include adjustments to health savings account eligibility, updates to telehealth services, modifications to dependent care assistance limits, and other fringe benefits. The changes to telehealth services will take effect in 2025, while the remaining changes will start in 2026. Here's a recap.
Source: Benefitsnotes.com

How Small Businesses Can Help Employees Prepare for Retirement

Many people aspire to a comfortable retirement, and while employers often provide retirement savings plans, small business owners face challenges in establishing these plans due to time constraints, administrative work, costs, and compliance issues. To simplify the process of setting up retirement plans for employees, small business owners should consider three specific strategies that can facilitate employee savings for retirement. Source: Prnewswire.com

and values-based investment strategies. This is a review of major issues. Source: Ifebp.org

House Committee Clears Bill to Curb ERISA Plans' ESG Investing

The House Committee on Education and Workforce has voted along party lines to advance the Protecting Prudent Investment of Retirement Savings Act (HR 2988), which seeks to limit ERISA fiduciaries from considering environmental, social, and governance factors in investment decisions and proxy voting. The legislation includes new notice requirements for defined contribution plans with brokerage windows and prohibits fiduciaries from using diversity criteria when hiring service providers. While the bill may pass in the House, it is expected to struggle in the Senate due to the need for bipartisan support and 60 votes. Source: Mercer.com

401k Cybersecurity Compliance Creates These New ERISA Duties

The article emphasizes the importance of 401k cybersecurity compliance in light of modern threats such as phishing, ransomware, and deepfakes. Given that cybersecurity poses significant risks to retirement plans, fiduciaries can no longer regard it solely as an IT issue; it is now considered an integral part of prudent plan management and an implied fiduciary duty under ERISA. The article outlines practical measures that fiduciaries can take to ensure cybersecurity compliance and protect participants' savings from potential breaches.
Source: Fiduciarynews.com

Western Benefits & Pension Council
Please visit **westernpension.org** for all current and upcoming programs.

Small Business Council of America
Please visit the Small Business Council of America (SBCA) website at **SBCA.net**. The SBCA is the only national organization whose sole purpose is to represent the interests of privately held businesses in the areas of federal income and estate tax, retirement, pension, healthcare, and other employee benefits concerns.

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Online Resources
Our company website is filled with resources for your financial planning needs. Please visit: **lwarner.com**.

WPBC
Please find all the upcoming panel and speaking events for Western Pension and Benefits Council at: **westernpension.org**.

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