November 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.

2026 IRS Limits for Retirement Plans have been Released, Please See Link Below

"2026 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.

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What Retirement Plan Sponsors Need to Know About Cybersecurity

Roth Catch-Up Contributions: Final Regulations Issued

Cybersecurity is a year-round concern for retirement plan sponsors, not just during Cybersecurity Awareness Month. Developing and maintaining an incident response plan is a key fiduciary duty. This includes preparing for breaches, learning from past incidents, and training internal teams. A strong cybersecurity plan not only protects sensitive data but also boosts employee confidence and demonstrates responsible plan management. This article looks at how such a cybersecurity response plan might be implemented. Source: Planpilot.com

Trump DOL to Abandon Fiduciary Rule Defense

The DOL has dropped its defense of the Biden-era fiduciary rule. The 2024 rule had been blocked by two federal district courts after challenges from insurance industry groups, and those cases were consolidated in the 5th Circuit Court of Appeals. After requesting multiple extensions in 2025, the DOL filed a motion to dismiss its appeal. Source: Thinkadvisor.com

42% of Full-Time US Workers Lack Access to Retirement Plan

According to an updated report from the Economic Innovation Group, Census Bureau data shows that in 2024, 42% of private-sector employees aged 18 to 65 working full-time lacked access to retirement plans. This represents about 40.6 million people, and the number rises to 53.7 million when part-time workers are included.
Source: Planadviser.com

SECURE 2.0: Some Keys to Compliance

Staying compliant can be challenging, especially when navigating complex rules and deadlines outlined in the SECURE 2.0 Act. This includes requirements specific to 403b plans. At the recent ASPPA Annual Conference, John Griffin, Principal at ASC Institute, LLC, and Susan Poliquin, Director of Document Services at Definiti, explored key factors for meeting these requirements and deadlines. Source: Ntsa-net.org

2026 Retirement Plan Limits Step Up to the Plate

The IRS has announced adjustments to retirement plan limits for 2026, aimed at keeping retirement plans progressing. The update is compared to a previous celebratory moment when the firm's softball team won a local championship, emphasizing the theme of stepping up and moving forward. A chart of changes is provided. Source: Belfint.com

The Treasury has issued final regulations effective January 1, 2026, giving plan sponsors new options and required elections under SECURE/SECURE 2.0. Sponsors don't need to finalize choices until adopting the amendment by December 31, 2026, which will be provided by their document provider. These regulations aim to clarify complex provisions, offering choices that may simplify or complicate plan administration. Source: Ferenczylaw.com

Alternative Retirement Plan Investment: The Checklist

Executive Order No. 14330 is widely viewed as opening the door for private equity and cryptocurrency investments in defined contribution plans, but does it really? Fiduciary responsibilities still apply when adding nontraditional investment options to a plan's lineup. While much has been written about private equity and cryptocurrency as investment choices, fiduciaries should consider a range of questions before making a selection. The checklist here is not exhaustive but should provide a good starting point.
Source: Carltonfields.com

A Third of Fidelity 401ks Have Adopted Auto Portability

Since October 2022, more than 9,200 Fidelity record-kept 401k plans, covering 3.7 million participants, have adopted auto portability, a service that automatically rolls over small retirement balances when employees change jobs. Fidelity's Q3 2025 analysis also highlights growing interest in Roth savings vehicles, especially among younger generations, due to their long-term tax advantages.
Source: 401kspecialistmag.com

Plan Sponsors Consider CITs for Private Market Exposure

A new report from Cerulli Associates finds that plan sponsors of defined contribution plans are increasingly interested in using collective investment trusts to incorporate private market strategies. Rather than offering these alternatives directly on participant menus, sponsors prefer to include them in professionally managed accounts such as target-date funds or CITs. CITs are gaining popularity due to their flexibility, lower operating costs, and negotiable fees, with assets now representing 38% of total 401k channel assets, up 30% since 2019.
Source: 401kspecialistmag.com

2026 Cost-of-Living Adjustments for Retirement Plans

The IRS has announced cost-of-living adjustments for retirement plan limits effective for the 2026 tax

Target-Date Funds Continue Strong Growth

Target-date funds have grown significantly in popularity and assets, driven mainly by their role as the default investment in 401k plans and the rise of automatic enrollment. Total TDF assets now exceed $4 trillion, with annual growth of over 30% in the past 15 years. By the end of 2024, 30.3% of 401k assets were in TDFs, up from 15.8% in 2014. TDFs are offered in 85% of plans, and 87.2% of plans with a qualified default investment alternative use TDFs as the default option. Source: Napa-net.org

Contemplating the Future of Private Markets and Retirement

Policymakers and industry experts are exploring ways to expand investment opportunities for retirement savers in 401k and other defined contribution plans. At a recent event hosted by ICI and DCALTA, discussions focused on legal, operational, and policy considerations for giving retail investors access to private market assets. Experts agreed that private markets could improve retirement outcomes for DC plan participants, driven by several converging factors. Source: Ici.org

year. Key changes include an increase in the annual salary deferral limit for 401k and 403b plans to $24,500, and a rise in the highly compensated employee threshold to $160,000. A chart summarizing the major 2026 limits is provided. Source: Benefitslawadvisor.com

401k Participation Up as Employers Embrace SECURE 2.0 Flexibility

Employee participation in 401k plans continues to rise, even as contribution rates slightly decline amid economic uncertainty. Hardship withdrawals increased for the second year in a row (2.7% in 2024 vs. 2.1% in 2023), while plan loan usage fell, indicating a shift in how employees access funds. Plan design enhancements -- such as automatic enrollment, Roth options, diversified investments, and mobile access -- also gained traction. Source: Asppa-net.org

A Roadmap for Maximizing the Value of 3(38) Services

Many retirement plan service providers either oversimplify and exaggerate their value or fail to communicate it clearly. ERISA 3(38) fiduciary investment managers often fall into these categories. A recent court case offers guidance on how to market ERISA 3(38) services effectively -- without overstating their benefits -- and helps clients understand their ongoing responsibility to monitor these fiduciaries. Source: Wealthmanagement.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**.

Editor
This newsletter is compiled and edited by Ala Smochinsky. Please direct any comments to the Editor: **asmochinsky@lwarner.com**.

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