

Email message – December 7, 2020

TO: Certifying Officers and Supervisors of Certifying Officers
FROM: New Jersey Division of Pensions & Benefits (NJDPB)
SUBJECT: ABP and DCRP In-Service Distributions Under the Terms of the CARES Act

The CARES Act is federal legislation passed to assist those affected by COVID19. Included in this legislation is a provision to permit in-service distributions for certain employees who participate in defined contribution plans. State legislation had to be enacted to ensure that the in-service distributions did not result in retired status for some of our members and this has been accomplished.

Our vendors for the Alternate Benefit Program (ABP) and Defined Contribution Retirement Program (DCRP) have been instructed to permit these in-service distributions under the terms of the CARES Act. Please inform your employees that they can reach out to their ABP or DCRP vendor to determine if they are eligible and what the requirements of either repayment or tax consequences would be. Currently, the CARES Act expires at the end of the year, so the members need to proceed accordingly.

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