



## State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PENSIONS AND BENEFITS  
P. O. Box 295

TRENTON, NEW JERSEY 08625-0295  
Telephone (609) 292-7524 / Facsimile (609) 777-1779  
TRS 711 (609) 292-6683  
[www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

ELIZABETH MAHER MUOIO  
*State Treasurer*

JOHN D. MEGARIOTIS  
*Acting Director*

PHILIP D. MURPHY  
*Governor*

SHEILA Y. OLIVER  
*Lt. Governor*

May 12, 2020

**To:** Prudential: Designated Service Provider of the Defined Contribution Retirement Program (DCRP) and Deferred Compensation Program (DCP)

**From:** Michael Kusmierczyk, Manager – DB & DC Plans Reporting Unit  
New Jersey Division of Pensions & Benefits

**Subject: Coronavirus Aid, Relief and Economic Security Act - CARES Act**

This is to provide a status update regarding the State of New Jersey, Division of Pensions & Benefits' directive regarding the CARES Act.

With regard to the optional provisions contained in the CARES Act, the Division does not wish to pursue implementing the temporary in-service distribution option at this time. However, the Division may wish to reconsider the in-service distribution option prior to the end of the year.

None of the loan provisions will be adopted since the Division does not currently offer loans under these plans and has no intention to modify the plans to offer this option.

All vendors should implement the provisions in the CARES Act that are deemed mandatory including the following:

1. The vendors can suspend the "required minimum distributions" (RMD) for calendar year 2020.
2. The 10% early distribution penalty should not be applied to coronavirus-related distributions. The waiver applies regardless of the fact that we are not choosing to add the in-service distribution option to our plans at the present time.

Please consult with your legal and tax experts to properly implement these options if you have not already done so.