



NEWS RELEASE

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Contact: David Mendes
Phone: 202.384.2075
Email: mendes@actuary.org

New Academy Issue Brief Provides Useful Overview of ERISA-Exempt Church-Sponsored Retirement Plans

WASHINGTON—A new [issue brief](#) from the American Academy of Actuaries provides an overview of retirement plans sponsored by churches and church-related organizations, in an effort to help plan participants, public policymakers, and other stakeholders better understand these plans’ practices and their implications.

“Because of their exemption from the *Employee Retirement Income Security Act of 1974* (ERISA), church-sponsored plans and plans of church-affiliated hospitals generally have more flexibility than other private pension plans regarding important practices, such as how benefit funding, stability, and security can be managed,” said Academy Senior Pension Fellow Linda K. Stone. “Helping plan participants and stakeholders understand the underpinnings of why and how these plans can differ from other private pension plans, and what that may mean for them, is part of the Academy’s service to the public and engagement with policymakers.”

While many church-sponsored and -affiliated retirement plans follow practices similar to those required by ERISA, their practices and plan provisions vary considerably, explains the issue brief developed by the Academy’s Pension Committee, *Church-Sponsored Retirement Plans—Overview and Considerations*. The exemption from ERISA requirements could mean a sponsor has more discretion in how it measures the funded status of the plan, as well as whether and when it informs participants of that status; has more flexibility in the timing and amount of the contributions made to the plan; has more options on whether and how it helps participants understand their benefits; and may not be eligible for Pension Benefit Guaranty Corporation insurance of participant benefits, which could impact how a sponsor may respond and provide support in case a plan is terminated.

Learn more about church-sponsored retirement plans and the Academy’s work on pension and other retirement public policy issues at actuary.org.

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The American Academy of Actuaries is a 20,000-member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.