Greetings & a warm welcome to this week's edition of 401k Real Talk. This is Fred Barstein contributing editor at WealthManagement.com's RPA omnichannel and CEO at TRAU, TPSU & 401kTV - I review all of the past week's stories and select the most important and interesting ones providing open honest and candid discussion you will not get anyway else. So let's get real!

What can DC plans and participants expect from the new Trump administration? Retirement is one of the very few bi-partisan issues in Washington and 401k plans fuel the stock market so most expect continued support. But here are a few changes that may happen in the short term:

First, extension of tax credits enacted in 2017 & the expected lower corporate taxes rate could boast the market. No taxes on tips and Social Security could increase contributions.

Secondly, more alternative investments like PE and crypto in DC plans.

Thirdly, fewer ESG investments especially in light of the recent American Airlines ruling.

Fourthly, short term market instability if tariffs are levied.

Finally, the death of the DOL's fiduciary rule.

JP Morgan Chase with $44 bn in assets is the [latest victim of the wave of forfeiture lawsuits] with a case recently filed in a California federal court. There have been about 30 other similar suits many against high profile plan sponsors.

The central issue is whether assets in the forfeiture accounts are plans assets, and if so, they must be used to benefit participants not lower match contributions as JP Morgan and others have done.

Though lawyers will advise clients to make sure plan documents reflect the policy of using these assets to lower contribution costs, the law will prevail. And though the IRS stated that this policy is legal, many wonder whether the DOL is the better arbitrator.

If plaintiffs prevail, there will be major repercussions even for smaller plans which could increase costs and with 30 cases and counting filed, there's something afoot especially with lawyers working on contingency.

[Are student loan debt repayment programs worth the squeeze]. A CPA firm cautions that these programs promulgated under SECURE 2.0 can significantly increase costs and work.

By including more participants in the plans, the match expense will increase just like with auto enrollment. Plan documents and payroll systems must be updated and there needs to be coordination with record keepers who may charge an extra fee. These programs can affect discrimination testing and will require additional employee education and communication.

So while it may be noble for plans with participants saddled with student loan debt to be able to enjoy the match, plan sponsors must carefully weigh the costs and extra time, both of which are in short supply.

There is an unprecedent surge of new defined contribution expected especially 401(k) plans according to a Cerulli report caused primarily by state mandates plus tax credits in SECURE 2.0 and group plans like PEPs. Imagine if there is a federal mandate in SECURE 3.0.?

Read my recent Wealthmanagement.com/RPA column about how this tsunami will draw in experienced advisors and brokers who need to be serviced differently with lessons from ride share apps helpful.

And last but not least, last week's LinkedIn poll asked: The most likely Super Bowl match up will be?

41% correctly predicted the KC/Philly match up while 29% thought that Buffalo and Philly wd be in the Superbowl. Well done. Good luck to both.

So those were the most important stories from the past week. I listed a few others I thought were worth reading covering:

1. Best practices when switching providers
2. Supreme Court to hear ERISA burden of proof arguments
3. Rating retirement readiness scores
4. American Funds launches new programs for business owners
5. CFP ranks top 100,000

Please let me know if I missed anything or if you would like to comment. Otherwise I look forward to speaking to you next week on 401k Real Talk.