

# CARES Act Snapshot Survey

PSCA conducted a snapshot survey of plan sponsors in early April to see what optional provisions of the recently enacted Coronavirus Aid, Relief, and Economic Security Act (CARES) organizations are enacting, and other actions they are taking in response to the current coronavirus crisis. The survey received responses from 152 organizations that sponsor a defined contribution plan for employees.

Table 1 | Respondents by Number of Plan Participants

Plan Size	Respondent Breakdown	
	Number of Plans	Percentage of Plans
1-49	10	6.6%
50-199	19	12.5%
200-999	39	25.7%
1,000-4,999	37	24.3%
5,000+	47	30.9%
Total	152	100.0%

Table 2 | Respondents by Industry

Industry	Respondent Breakdown	
	Number of Plans	Percentage of Plans
Construction/Engineering	8	5.3%
Durable goods manufacturing	20	13.2%
Financial	20	13.2%
Healthcare	8	5.3%
Insurance	12	7.9%
Non-durable goods manufacturing	10	6.6%
Non-Profit Organization	9	5.9%
Retail/Wholesale distribution	16	10.5%
Services	13	8.6%
Technology or Telecommunications	8	5.3%
Transportation	7	4.6%
Utility or Energy	12	7.9%
Other	9	5.9%
Total	152	100.2%

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Table 3 | Types of Employer Contributions Provided as of January 1, 2020

Contribution Type	Plan Size				
	1-199	200-999	1,000-4,999	5,000+	All Plans
Matching Contribution – Guaranteed	62.1%	56.4%	62.2%	69.6%	62.7%
Matching Contribution – Discretionary	44.8%	56.4%	45.9%	52.2%	50.7%
Non-Matching Contribution – Guaranteed	17.2%	10.3%	24.3%	26.1%	20.0%
Non-Matching Contribution – Discretionary	13.8%	25.6%	29.7%	23.9%	24.0%
None	6.9%	2.6%	8.1%	0.0%	4.0%

Table 4 | Organizations Adopting the Optional Provisions of the CARES Act by Plan Size

Provision	Plan Size				
	1-199	200-999	1,000-4,999	5,000+	All Plans
Increase plan loan limit to the lesser of \$100,000 or 100% of the vested account.	17.2%	25.6%	32.4%	46.8%	32.2%
Suspend loan payments due on or before December 31, 2020 and defer payments for up to one year.	20.7%	25.6%	43.2%	61.7%	40.1%
Allow distributions until December 31, 2020 of the lesser of 100% of the vested account balance or \$100,000.	27.6%	30.8%	45.9%	68.1%	45.4%
Allow repayment of coronavirus-related distributions during the next three years.	34.5%	30.8%	45.9%	68.1%	46.7%
Unsure – still deciding.	51.7%	48.7%	45.9%	34.0%	44.1%
None	13.8%	17.9%	5.4%	2.1%	9.2%

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Table 5 | Actions Taken by Plan Service Providers/Recordkeepers

Action	Plan Size				
	1-199	200-999	1,000-4,999	5,000+	All Plans
Default plan to incorporate all COVID-eligible provisions.	21.4%	33.3%	35.1%	29.8%	30.5%
Wait for direction as to which provision(s) of the CARES Act the plan will adopt.	64.3%	56.4%	54.1%	57.4%	57.6%
Default some provisions, wait for direction on others.	0.0%	5.1%	8.1%	8.5%	6.0%
Other	14.3%	5.1%	2.7%	4.3%	6.0%
Total	100.0%	99.9%	100.0%	100.0%	100.1%

Table 6 | Changes Organizations Are Making to the Plan as a Result of the COVID-19 Pandemic

Changes	Plan Size				
	1-199	200-999	1,000-4,999	5,000+	All Plans
None	92.9%	76.3%	73.0%	69.6%	76.5%
Suspend Matching Employer Contributions	3.6%	13.2%	21.6%	21.7%	16.1%
Reduce Matching Employer Contributions	0.0%	0.0%	0.0%	0.0%	0.0%
Suspend Non-Matching Employer Contributions	0.0%	10.5%	5.4%	2.2%	4.7%
Reduce Non-Matching Employer Contributions	0.0%	5.3%	2.7%	0.0%	2.0%
Terminating the Plan	3.6%	2.6%	0.0%	0.0%	1.3%
Other Plan Design Changes	3.6%	2.6%	5.4%	10.9%	6.0%

Note: Some respondents indicated that they are both reducing and suspending contributions, and the two respondents who indicated they were terminating the plan also indicated they were suspending contributions.