Westfield STATE UNIVERSITY

HUMAN RESOURCES

2026

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Comparison of Key Features: 403b vs. 457b Supplemental Savings Plans

The Commonwealth offers employees of education-related departments two distinct supplemental savings plans to which voluntary, tax-deferred and after-tax contributions may be made.

Participants can participate in both plans up to the maximum for **each** plan. There is no employer match for these voluntary plans. Employees must determine which plan better suits their needs. To help with your decision about which plan may be best for you, a brief comparison is provided in the chart below.

403b Plan: Department of Higher Education web site at https://www.mass.edu/forfacstaff/otherretirement/home.asp

457 Smart Plan: The Office of the State Treasurer manages the Commonwealth's 457 Deferred Compensation SMART Plan. Empower is currently the third-party administrator for the SMART Plan. For more information, visit https://www.mass.gov/smart-plan-for-public-employees.

Feature	403(b) Voluntary Savings Plan	457 Deferred Compensation Plan
Eligibility	Employees of education-related departments: colleges and state universities	Employees of the Commonwealth and participating governmental entities (i.e., cities, towns, etc.)
Governing IRS Code	Section 403(b)	Section 457
Plan Entry	Immediately upon employment or any time thereafter	Immediately upon employment or any time thereafter
Providers	Choice of 3: Fidelity, TIAA-CREF, Colebridge/AIG,	Empower Retirement – SMART Plan
Investment Decisions	Participants direct their own investments among funds offered by their Provider	Contributions will be invested, per participant instructions, in the investment options offered under the SMART Plan
Maximum Contributions	Younger than age 50: $24,500 Age 50 and older: $32,500	Younger than age 50: $24,500 Age 50 and older: $32,500 Special "Catch- Up" provision may be available 3 years prior to retirement
Loan Provision	Allows loans from contract providers when approved by Plan Administrator	Loans not permitted
Emergency Access to YourFunds	Hardship withdrawals from providers when approved by Plan Administrator	Emergency access available in unforeseen emergencies as defined by the IRS.
Trigger Events for Distributions from the Plan	Funds may be paid from the Plan upon termination of employment; attaining age 59 ½; becoming disabled; upon death of the participant	Funds may be paid from the Plan upon separation from service; death; unforeseen emergencies; $5000 in-service distribution available in limited circumstances
Early Withdrawal Penalty	Yes; 10% before age 59 ½	No