



**Town of Bladensburg, Maryland**

**RESOLUTION NO. 08-2026**

**Date Introduced:** February 9, 2026

**Date Adopted:** February 9, 2026

**Date Effective:** February 9, 2026

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BLADENSBURG AUTHORIZING THE TOWN ADMINISTRATOR TO EXECUTE A CONTRACT REVISION WITH MISSIONSQUARE RETIREMENT TO AMEND THE TOWN'S 457 DEFERRED COMPENSATION PLAN AND PROVIDE ENHANCED DISTRIBUTION OPTIONS FOR PLAN PARTICIPANTS**

**WHEREAS**, the Town of Bladensburg (the "Town") offers a **457(b) Deferred Compensation Plan** administered by MissionSquare Retirement as a voluntary, employee-funded supplemental retirement benefit for eligible Town employees; and

**WHEREAS**, participation in the Town's 457 Plan is **entirely voluntary**, funded solely by employee contributions, and is intended to supplement the Maryland State pension system, which is funded by both the Town and its employees; and

**WHEREAS**, recent changes in federal law and Internal Revenue Service guidance permit governmental 457(b) plans to offer expanded in-service and hardship distribution options intended to provide employees with greater financial flexibility while maintaining the tax-qualified status of the plan; and

**WHEREAS**, the Mayor and Council desire to modernize and enhance the Town's 457 Plan by adopting plan amendments that align with current federal law and best practices for public-sector deferred compensation plans; and

**WHEREAS**, the proposed amendments would allow eligible participants access to additional distribution options, including but not limited to:

- Age 60–63 catch-up contributions;
- In-service distributions beginning at age 59½;
- Qualified federally declared disaster relief distributions;
- Emergency expense withdrawals of up to \$1,000;
- Employee self-certification for emergency expense withdrawals;
- Employee self-certified hardship withdrawals;
- Penalty-free withdrawals related to qualifying domestic abuse circumstances;

- Qualified birth or adoption distributions; and
- Other related distributions permitted under applicable federal law; and

**WHEREAS**, these plan enhancements are intended to strengthen the overall value of the 457 Plan for participants, improve employee financial wellness, and maintain the Town's competitiveness as an employer, without creating additional financial obligations for the Town; and

*WHEREAS*, MissionSquare Retirement has prepared or will prepare the necessary contract revisions and plan amendment documents to implement these changes in compliance with federal and state law.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF BLADENSBURG, MARYLAND**, that:

1. The Town Administrator is hereby **authorized and directed** to enter into and execute a contract revision and any related documents with MissionSquare Retirement necessary to amend the Town's 457 Deferred Compensation Plan to incorporate the enhanced distribution and withdrawal provisions described herein.
2. The Town Administrator is further authorized to take any and all administrative actions necessary to implement these plan amendments, provided that such actions remain consistent with applicable federal and state law.
3. These amendments shall not alter the voluntary nature of the 457 Plan, nor shall they require any additional employer contribution by the Town.
4. This Resolution shall take effect immediately upon adoption.

**BE IT FURTHER RESOLVED** that the Town Administrator and staff are hereby authorized to implement and enforce this fee schedule and to make any necessary administrative updates to ensure consistency with Town policies and applicable laws.

**BE IT FURTHER RESOLVED** that this Resolution be and is hereby adopted this 9th Day of February 2026 and shall take effect immediately upon its adoption.

Attest:

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Michelle Bailey Hedgepeth, Acting Clerk  
Town Administrator

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Takisha D. James, Mayor