

Fees and Measly Returns in Safe Harbor IRAs Can Reduce Accounts to \$0

Admin User · March 4, 2026

PensionBee's Market Review highlights the dangers for savers who 'set and forget' dormant 401(k) accounts.

NEW YORK–([BUSINESS WIRE](#))–Consumers with [Safe Harbor IRAs](#) could unknowingly lose substantial portions – or even the entirety – of their retirement savings due to obscure hidden fees and poor returns, according to new analysis from online retirement provider PensionBee.

PensionBee conducted a market review to assess whether consumers receive fair treatment from existing Safe Harbor IRA providers. The findings suggest that millions of Americans may be at risk of having their savings depleted by excessive fees and meager interest rates.

Under current regulations, employers can “force out” accounts with balances under \$7,000 into a poorly performing Safe Harbor IRA without the former employee’s consent. While intended as a solution for managing abandoned accounts, PensionBee’s research highlights serious financial pitfalls.

With over 30 million former participant accounts in the 401(k) system ([US Department of Labor](#)), Safe Harbor IRAs play a critical role in handling small, inactive accounts. These small, dormant 401(k) accounts are expected to multiply with the average American holding approximately 12 jobs during their lifetime ([Bureau of Labor Statistics](#)).

Consumers with forced out accounts could be substantially worse off than if they had remained in their employer’s 401(k) plan.

Click here to see [charts](#) related to this release.
