

EBSA News



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Labor Department permits 401(k) plans to reschedule annual disclosures to employees

WASHINGTON — The U.S. Department of Labor today announced a temporary enforcement policy that will allow 401(k)-type plans to reset the timing for the annual distribution of the investment comparative chart that they are required to furnish to plan participants. Most plans must furnish this year's annual comparative chart no later than August 30, 2013.

“Under this policy, employers may reset their deadline for furnishing the comparative chart, but only once and only if the responsible plan fiduciary determines that doing so will benefit the plan’s participants and beneficiaries,” said Assistant Secretary for Employee Benefits Security Phyllis C. Borzi. “We are announcing this policy in response to requests from a number of employers who say it will be better for their workers if the comparative chart could be mailed out a little later in the year along with other disclosures. But, otherwise, all the protections in the rule stay in place.”

Under the enforcement policy contained in Field Assistance Bulletin 2013-02, plan administrators may reset the deadline one time, for either the 2013 or the 2014 comparative chart, if the responsible plan fiduciary determines that doing so will benefit the plan’s participants and beneficiaries and provided that no more than 18 months may pass before participants receive their next comparative chart. This enforcement policy does not alter a plan administrator’s obligations under the regulation to timely update the investment information that is available at the plan’s internet web address or to notify participants about changes to investment information, such as a new plan investment option.

The department’s participant-level fee disclosure regulation, which was implemented last year, requires that administrators of 401(k)-type plans disclose information about plan investment options, such as fee and performance information, to participants and beneficiaries at least annually. Plans operating on a calendar year had to furnish their first chart no later than August 30, 2012, and their second chart is due no later than August 30, 2013. Many other plan disclosures, however, such as pension benefit statements, are disclosed later in the calendar year. Permitting a one-time “re-set” of the deadline will allow plan administrators to align the comparative chart with other participant disclosures.

Read FAB 2013-02 at, <http://www.dol.gov/ebsa/regs/fab2013-2.html>
Learn more about the Employee Benefits Security Administration, <http://www.dol.gov/ebsa>.

U.S. Department of Labor news materials are accessible at <http://www.dol.gov>. The information above is available in large print, Braille, audio tape or disc from the COAST office upon request by calling 202-693-7828 or TTY 202-693-7755.