



New 401(k)/403(b) Plan Fee Disclosure Rules

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The U.S. Department of Labor recently published new regulations that affect 401(k) plans and 403(b) plans that are subject to ERISA. These new rules require that certain service providers disclose specific information to the plan sponsor relating to compensation received in connection with services furnished to the plan. Both service providers and employers are required to take certain actions not later than July 16, 2011 with regard to these new fee disclosure rules. Please let us know if you would like information regarding the steps that an employer must take between now and July 16, 2011 in order to comply with these new rules.

The Department of Labor is expected to release at least two additional disclosure requirements, perhaps as soon as this fall. First, supplemental regulations covering welfare benefit plans are anticipated since the final version of the new regulations intentionally omitted disclosure requirements for services provided to those plans. Second, the Department of Labor has indicated it will impose obligations on employers to disseminate service provider fee information to plan participants. Please let us know if you would like status updates on these anticipated disclosure requirements.

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