



BENEFIT NEWS BRIEFS

DOL Delays Compliance Dates for Fee Disclosure Requirements

The Department of Labor (DOL) issued a final regulation under the Employee Retirement Income Security Act (ERISA) to extend and align the applicability dates for its retirement plan fee disclosure rules – these are: (1) the ERISA Section 408(b)(2) rule requiring covered service providers of retirement plans to disclose their fees and (2) the participant-level fee/cost disclosure regulation requiring that employers disclose information about plan and investment costs to workers who direct their own investments. The regulations are available at: <http://www.gpo.gov/fdsys/pkg/FR-2011-07-19/pdf/2011-18029.pdf> or by “[clicking here](#).” The new compliance dates are discussed below.

ERISA Section 408(b)(2) Disclosures

By way of background, the DOL published an interim final regulation under ERISA Section 408(b)(2) on July 16, 2010, requiring covered service providers of retirement plans to disclose comprehensive information about their fees and potential conflicts of interest to ERISA-covered plan fiduciaries. This regulation was to become effective with respect to plan contracts or arrangements for services in existence on or after July 16, 2011. **Today’s final rule moves the effective date of this 408(b)(2) disclosure to April 1, 2012.** See [Benefit News Briefs 2010-81](#) for information about this Rule.

Participant-Level Fee/Cost Disclosures

In addition, the DOL published a final participant-level fee/cost disclosure regulation on October 20, 2010, requiring that employers disclose information about plan and investment costs to workers who direct their own investments in ERISA-covered 401(k) and other individual account retirement plans. This regulation had an original initial compliance no later than 60 days after the beginning of the first plan year on or after November 1, 2011. This Rule was issued under ERISA Sections 404(a) and 404(c).

However, in conjunction with the final 408(b)(2) rule, this participant-level fee/cost disclosure regulation moves the compliance date to 60 days after the April 1, 2012 effective date of the 408(b)(2) regulation – that is until May 31, 2012. This ensures that the 408(b)(2) regulation becomes effective first and that all plans will be able to take advantage of the transition period following the effective date of the 408(b)(2) regulation. See [Benefit News Briefs 2010-75](#) for information about this participant-level fee/cost disclosure Rule.

For More Information

Plan sponsors and service providers with questions about applicability dates or the final rule can contact Jeffrey Turner in EBSA at (202) 693-8500. Additional information about these regulations is available on EBSA's website at <http://www.dol.gov/ebsa>.

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