

Delay in 401(k) Service Provider Disclosure Requirement to January 1, 2012

This Employee Benefits Update provides information about a delayed effective date for the new fee disclosure rules that affect employer retirement plans like 401(k) plans. (This and other new 401(k) developments, including new domestic partner developments, will be addressed in the "**401(k) Lessons Learned and Areas to Watch**" seminar held by Boardman Law Firm in Madison, WI on March 2, 2011. See below for registration information.)

We previously discussed the new mandatory reporting requirements last fall:
http://www.boardmanlawfirm.com/EBupdate/9_7_10.php.

The new rules originally were effective July 16, 2011, but the Department of Labor is delaying the effective date until January 1, 2012. The government expects to get final regulations out before the effective date. To read the government announcement, go to:
<http://www.dol.gov/ebsa/newsroom/2011/ebsa021111.html>.

What should employers do?

- Perform a "Fee Disclosure" evaluation to identify which service providers are covered under the new regulations. Review all existing arrangements and have new written disclosures in hand by January 1, 2012.
- Watch for new guidance.
- Set up a system for monitoring the disclosures and for notifying the Department of Labor as may be necessary under the regulations.

Consider attending our 401(k) update seminar: "**401(k) Lessons Learned and Areas to Watch**," Boardman Law Firm, Madison, WI on March 2, 2011. For registration information: www.boardmanlawfirm.com. I will be discussing the delayed effective date and some other items in the news, such as how domestic partner enforcement developments (see, e.g., <http://www.justice.gov/opa/pr/2011/February/11-ag-223.html>) affect 401(k) plans.

Cynthia A. Van Bogaert

is a partner with Boardman, Suhr, Curry & Field LLP. She is a faculty member for employee benefits courses for ALI-ABA and the Employee Benefits Institute of America, as well as author of the 401(k) column on BenefitsLink, a national employee benefits Web site.

These articles are not legal advice. Individuals should seek advice based on their particular circumstances from their own counsel. Nothing in this article is intended to be used, and no information can be used, for the purpose of avoiding penalties under the Internal Revenue Code, or promoting, marketing, or recommending to another party any transaction or matter addressed in this article. © 2008 Cynthia A. Van Bogaert All rights reserved.