

MEMO# 24130

February 8, 2010

Labor and Treasury Request for Information on Lifetime Income Products

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TO: BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 4-10 RE: LABOR AND TREASURY REQUEST FOR INFORMATION ON LIFETIME INCOME PRODUCTS

The Departments of Labor and Treasury have released a request for information on lifetime income to help them determine whether, and, if so, how, they could or should enhance the retirement security of participants in employer-sponsored retirement plans and IRAs by facilitating access to, and use of, lifetime income or other arrangements designed to provide a lifetime stream of income after retirement. [\[1\]](#)

RFI asks 39 specific questions to obtain information about:

- Use (or lack of use), and the advantages and disadvantages, of annuities and other lifetime income arrangements.
- How to educate participants to make informed decisions regarding whether to utilize lifetime income arrangements.
- Disclosing, on quarterly statements, information about what a participant's account may generate in terms of retirement income.
- The interaction of the tax qualification rules and lifetime income options (e.g., joint and survivor rules, interaction of required minimum distribution rules and longevity insurance).
- Certain DOL rules: current fiduciary guidance on selecting an annuity provider, ERISA section 404(c), and qualified default investment alternatives.

- The costs and benefits for purposes of the regulatory impact analysis.

Responses are due by May 3, 2010. The Institute plans to provide comments in response to the RFI.

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endnotes

[1] A copy of the RFI is available here:
<http://edocket.access.gpo.gov/2010/pdf/2010-2028.pdf>.

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