

MEMO# 30844

August 18, 2017

ICI Submits Written Statement to ERISA Advisory Council on Enhancing the Effectiveness of Disclosure for Retirement Plans

[30844]

August 18, 2017 TO: ICI Members
Pension Committee

Pension Operations Advisory Committee SUBJECTS: Pension RE: ICI Submits Written Statement to ERISA Advisory Council on Enhancing the Effectiveness of Disclosure for Retirement Plans

ICI submitted the attached letter to the ERISA Advisory Council (the “Council”) on the topic “Mandated Disclosure for Retirement Plans—Enhancing Effectiveness for Participants and Sponsors,” in connection with its August 22-24, 2017 meeting. The Council plans to provide draft materials and recommendations to the Department of Labor (DOL), with the goal of streamlining existing DOL disclosures, and making those disclosures more useful to the participants that receive them.[\[1\]](#)

Our letter includes the following recommendations:

- DOL and the Internal Revenue Service (IRS), working together, should find ways to streamline and consolidate existing notices in a way that will focus participants on the key information they need for effective decision making under the plan, while ensuring the availability of more detailed information for further reference. DOL should recommend the elimination of redundant and irrelevant notices.
- DOL should consolidate information as much as possible in the Summary Plan Description (SPD), which should serve as the “owner’s manual” for the plan.
- DOL should encourage the use of a plain language “quick start” guide upon enrollment, consolidating the key information from the SPD, together with information about investment options that participants need to make the core decisions when they enroll in the plan.
- DOL should modernize its electronic delivery rules to allow plans and service providers to harness the ability of the internet to present information in interlinking layers, allowing participants to access information in a summary format with connectors to more detail. The effort should be done jointly with IRS to harmonize the electronic

disclosure rules of both regulators.

Shannon Salinas
Assistant General Counsel - Retirement Policy

[Attachment](#)

endnotes

[1] See 2017 ERISA Advisory Council Issue Statement, available at <https://www.dol.gov/sites/default/files/ebsa/about-ebsa/about-us/erisa-advisory-council/2017-mandated-disclosure-for-retirement-plans-enhancing-effectiveness-for-participants-and-sponsors-issue-statement.pdf>. While the Council does not intend to focus specifically on distribution methods of disclosures, it will not preclude consideration of electronic delivery in its deliberations.

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