

MEMO# 31288

July 16, 2018

Joint Trade Engagement with DOL Regarding Guidance on Missing Participants of Employer-Sponsored Retirement Plans

[31288]

July 16, 2018 TO: ICI Members
Pension Committee

Pension Operations Advisory Committee SUBJECTS: Pension RE: Joint Trade Engagement
with DOL Regarding Guidance on Missing Participants of Employer-Sponsored Retirement
Plans

ICI is participating in a joint trade group to engage the Department of Labor (DOL) on issues regarding missing participants of employer-sponsored retirement plans. The group of trade associations recently submitted a letter to DOL (attached) as a follow-up to the group's May 16 meeting with DOL and was subsequently invited to participate in a second meeting with DOL held on July 13, 2018.

Background

DOL currently is engaged in an enforcement initiative "examining whether plan officials are meeting their fiduciary obligations under section 404 of ERISA to find missing participants and pay them their benefits."[\[1\]](#) This enforcement is primarily focused on terminated vested participants in defined benefit plans. DOL has provided guidance to plan sponsors of terminated defined contribution (DC) plans about locating missing participants and unclaimed accounts, but has not provided similar guidance for ongoing plans.[\[2\]](#)

Joint Trade Activity

The joint trade group met with DOL on May 16, 2018 to discuss the ongoing enforcement initiative and to request guidance for plan fiduciaries of ongoing plans. On June 25, 2018, the group submitted a letter to DOL as a follow up to the meeting. The letter reiterated the group's commitment to working with DOL on this issue and stated several principles and suggestions to guide DOL's efforts.

After receiving the letter, DOL requested a second meeting with the trade associations, which took place on July 13, 2018. DOL staff indicated that they are currently working on guidance in the form of a best practices guide for plan fiduciaries and that they hope to

have a series of meetings with the trade associations as they develop the guidance.

Each of the trade associations is collecting information from its members to assist DOL in ensuring that the guidance it crafts is workable and effective. As we requested at our Pension Committee meeting in June, please contact me (Shannon Salinas) if you have input that would be helpful toward achieving this goal.

Shannon Salinas
Assistant General Counsel - Retirement Policy

[Attachment](#)

endnotes

[1] See DOL's November 28, 2017 letter to GAO included in GAO's report entitled "Workplace Retirement Accounts: Better Guidance and Information Could Help Plan Participants at Home and Abroad Manage Their Retirement Savings" published on January 31, 2018 and publicly released on March 5, 2018, and available at <https://www.gao.gov/products/GAO-18-19>. See ICI Memorandum No. 31126, dated March 12, 2018, available here: https://www.ici.org/my_ici/memorandum/memo31126.

[2] DOL Field Assistance Bulletin No. 2014-01.