

**MEMO# 10837**

March 26, 1999

# **INSTITUTE SUBMITS COMMENTS ON DEPARTMENT OF LABOR TECHNOLOGY PROPOSALS**

1 See Institute Memorandum to Pension Committee No. 5-99 and Pension Operations Advisory Committee No. 7-99, dated February 1, 1999. 2 See Institute Memorandum to Pension Committee No. 13-97, dated May 22, 1997. [10837] March 26, 1999 TO: PENSION COMMITTEE No. 22-99 PENSION OPERATIONS ADVISORY COMMITTEE No. 21-99 FEBRUARY 18 CONFERENCE CALL ATTENDEES RE: INSTITUTE SUBMITS COMMENTS ON DEPARTMENT OF LABOR TECHNOLOGY PROPOSALS

The Institute has submitted comments on the Department of Labor's proposed regulations and request for information regarding "paperless technologies." The proposed regulations and request for information were published in January.<sup>1</sup> These comments were developed with the assistance of participating Institute members. In the letter, the Institute states its support of the Department's proposal to permit the use of "paperless" technologies to deliver various required plan disclosures. The proposed regulations generally adopt the approach taken in interim regulations governing health plans, as the Institute had suggested in an earlier comment letter in May 1997.<sup>2</sup> The Institute generally urges the prompt adoption of final regulations and recommends one change. The proposed regulations would require that participants must be able to readily convert their documents from electronic form to paper form at their worksite and that participants may request these documents in paper form from the plan administrator. The Institute's comment letter recommends that the Department allow employers to choose either to allow participants to convert documents electronically or to allow participants to request documents in paper form. In its request for information, the Department asked for comment as to whether electronic disclosure of other documents should be permitted and whether electronic delivery should be permitted to participants and beneficiaries who do not frequent the worksite. The Institute's comment letter urges the Department to expand the scope of the proposed rules to cover a broad range of disclosures, including individual benefit statements. In addition, the letter states that the Department should specifically permit employers to offer "offsite" participants and beneficiaries the option of receiving plan disclosures electronically. A copy of the comment letter is attached. Russell G. Galer Senior Counsel Attachment