BENEFITS BRIEFING WEBINAR: Retirement Guidance to Expect in the Coming Year

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Looking Back

2014 was a busy regulatory year for retirement plans

- Final and proposed hybrid regulations
- Money market fund reform
- Target date funds
  - Annuities in target date funds
  - Disclosure changes
- 403(b) pre-approved plan document program
- 408(b)(2) guide proposal
- Brokerage window RFI
- 4062(e)
- De-risking
- Margins for uncleared swaps
- Temporary non-discrimination relief for closed DB plans
- Revised actuarial tables
- Qualified longevity annuity contracts
- Taxation of “split” distributions and new 402(f) notice
- Death master file
- Rollovers to qualified plans
- Electronic filing (8955-SSA, top hat statements, 5500-SUP)
- Health benefits in qualified plans

Not a complete list!
2015 DOL Agenda

- Fiduciary re-proposal
- Participant disclosure deadline
- 408(b)(2) “guide”
- Brokerage windows
- Pension benefit statements/lifetime income disclosure
- Target date funds
- Annuity safe harbor
- Revision of Form 5500
- Electronic filing of “top hat” statements
- Abandoned plan program
- Form 5500 reporting for multiple employer plans
- Voluntary fiduciary correction program
- Annual funding notice for DB plans
- De-risking?
Fiduciary Re-proposal

- Timing? Second quarter of 2015 very possible
- Expansion likely: applicable to rollovers and distributions
- Prohibited transaction exemptions: sufficient?
- Plan sponsor perspective
408(b)(2) Guide

- DOL proposal to require separate “guide” to 408(b)(2) disclosure, with page/section number references
- Concerns of plan sponsors and service providers
- Council position and efforts – need for reopening comment period
- DOL agenda targets September 2015 for final rule
Brokerage windows

- Background – Q&A-30 of Field Assistance Bulletin 2012-02
- DOL Request for Information – 39 questions
- Concerns over possible DOL action
  - Look-through to brokerage window investments
  - New disclosure or fiduciary rules
Participant disclosure deadline

- “At least annually” rule in 404a-5 regulation
- DOL issues temporary relief in FAB 2013-02
- Request for permanent relief
- DOL targets December 2014 for “direct final rule”
Lifetime income items

- Pension benefit statements
  - Lifetime income disclosure?
  - Other key pension benefit statement issues
    - Electronic delivery
    - Multiple statement issue
  - Proposed regulation targeted for July 2015

- Annuity safe harbor revision
  - Focus on whether insurance company can make future payments
  - Proposed regulation targeted for November 2015
De-risking

- Guidance in response to Hill letter?
  - Enhanced disclosure – Effective date?
  - Fiduciary standards for selecting insurer – Effective date?
Treasury / IRS Agenda

- Closed defined benefit plans
- PEP guidance
- Additional hybrid plan guidance
- Beginning of work on new mortality tables
- Funding-related guidance
- Possible de-risking guidance
- Revised sanctions for automatic enrollment violations
- Disclosures regarding failure to defer benefits
- Possible incentives for 401(k) contributions
Treasury / IRS Agenda (cont’d)

- Hardship substantiation
- Mid-year safe harbor plan amendments
- Lifetime income follow-up
- Governmental plan issues
- Determination letter and interim amendment issues/EPCRS update
- Multiple employer plans/one bad apple rule
- 409A guidance (income inclusion and corrections)
- Comprehensive new IRA regulations

**Note**: Treasury/IRS items often carry over from year to year. Also, above list is not comprehensive.
PBGC Agenda

- Missing participants in DC plans – Proposed rule targeted June 2015
- Valuing benefits in cash balance plans – Final rule targeted March 2015
- Section 4062(e)
- Late retirement/actuarial equivalence
Thanks and Questions

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