



AMERICAN BENEFITS  

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COUNCIL

**BENEFITS BRIEFING WEBINAR:  
Retirement Guidance to Expect  
in the Coming Year  
December 4, 2014**

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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

- ④ **Timing? Second quarter of 2015 very possible**
- ④ **Expansion likely: applicable to rollovers and distributions**
- ④ **Prohibited transaction exemptions: sufficient?**
- ④ **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**
- ◉ **Reportable events – Final rule targeted May 2015. Financial soundness issue.**
- ◉ **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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