



Fact Sheet

U.S. Department of Labor

Employee Benefits Security Administration

February 26, 2010

Final Regulation Improving Workers' Access to Multiemployer Retirement Plan Information

The Pension Protection Act of 2006 amended the Employee Retirement Income Security Act of 1974 (ERISA) by adding a new section 101(k) to increase transparency with respect to multiemployer retirement plan operations. The Department of Labor is publishing a final regulation that will increase pension plan transparency by ensuring that workers will have greater access to information about the operation and financial health of their multiemployer defined benefit and defined contribution (e.g., 401(k)) pension plans, enhancing retirement security and supporting the Secretary of Labor's good jobs for everyone policy.

Background

- The Department's Employee Benefits Security Administration (EBSA) is responsible for administering and enforcing the fiduciary, reporting, and disclosure provisions of Title I of ERISA. EBSA oversees approximately 708,000 private pension plans, including approximately 659,000 defined contribution plans and approximately 49,000 defined benefit plans, and millions of private health and welfare plans that are subject to ERISA.
- The rule is expected to impact about 1,500 multiemployer defined benefit plans with 9.7 million participants and beneficiaries and about 1,500 multiemployer defined contribution plans with 3.7 million participants and beneficiaries.
- A multiemployer plan generally is a plan to which more than one employer is required to contribute and which is maintained pursuant to one or more collective bargaining agreements between one or more employee organizations and more than one employer.
- On September 14, 2007, the Department published a proposed regulation under section 101(k) of ERISA with a request for public comment.
- The Department received four comment letters. These comment letters are available for public inspection at <http://www.dol.gov/ebsa>.

Overview of Final Regulation

- The regulation requires the administrator of a multiemployer pension plan, on the written request of any plan participant, beneficiary, employee representative (e.g., union), or any employer that has an obligation to contribute to the plan, to furnish copies of requested financial and actuarial reports of the plan.
- The documents that are required to be furnished are:
 - Periodic actuarial reports.
 - Quarterly, semi-annual, or annual financial reports.
 - Certain applications filed with the Secretary of the Treasury and related determinations (amortization extensions).

- A plan administrator must furnish the requested documents within 30 days from the request. The Secretary of Labor may assess a civil penalty against any person of up to \$1,000 a day for each violation by any person of section 101(k). A plan is not required to provide more than one copy of any document during any one 12-month period. A plan may impose a reasonable charge on the requester to cover the cost of copying and mailing a document.
- The cost of the final rule is expected to total approximately \$2.4 million in the year of implementation (2009 dollars), \$2.1 million in the second year, and \$1.7 million in the third year. The ten-year total discounted cost of the rule is \$15.7 million.

Benefits of Final Regulation

- The increased transparency resulting from this regulation will provide participants, beneficiaries, employee representatives, and contributing employers with a greater opportunity to monitor their plans' funding and financial status and to take appropriate action when necessary. It also may help create a greater sense of accountability to plan participants and beneficiaries on the part of plan officials.

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This fact sheet has been developed by the U.S. Department of Labor, Employee Benefits Security Administration, Washington, DC 20210. It will be made available in alternate formats upon request: Voice phone: 202.693.8664; TTY: 1.202.501.3911. In addition, the information in this fact sheet constitutes a small entity compliance guide for purposes of the Small Business Regulatory Enforcement Fairness Act of 1996.