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### **Recent Reports on Retirement Topics from the Department of Labor's ERISA Advisory Committee**

The following comes from ASEC Partner, [U.S. Department of Labor, Employee Benefit Security Administration](http://www.dol.gov/eopas/ebsa).

#### *[Approaches to Retirement Security in the United States](#)*

The 2009 ERISA Advisory Council ("Council") reached a consensus focusing on the adequacy of and structure of U.S. retirement plans to assess whether structural aspects of these plans contribute to retirement security. The Council concludes that most contemplated changes to improve retirement security, particularly for defined benefit (DB) plans, requires legislation. Many witnesses called for short-term funding relief, which this Council supports in concept. Others called for major long-term reform and the development of new or greatly modified retirement plans. This Report lists some of the longer-term reform recommendations made by witnesses and others. The Council specifically recommends the formation immediately of a Presidential Commission. The Council has not endorsed any other long-term proposals but believes most, if not all, are worthy of serious consideration. For reasons discussed further, these proposals may need consideration in a forum beyond Capitol Hill.

#### *[Promoting Retirement Literacy and Security by Streamlining Disclosures to Participants and Beneficiaries](#)*

The 2009 ERISA Advisory Council ("Council") reached a consensus to focus on the issue of promoting retirement literacy and security by streamlining disclosures to participants and beneficiaries. The Council studied the efficacy of ERISA's reporting and disclosure schemes as well as problems and costs related to such disclosures. Testimony to the Council was provided on July 23, 2009, and September 15, 2009, by eighteen witnesses.

After much discussion and debate concerning the issues presented and the extent the Council believes the Department of Labor ("DOL") needs to address ERISA's disclosure requirements, the Council submits the following recommendations to the Secretary of Labor for consideration.

*Report on Stable Value Funds and Retirement Security in the Current Economic Conditions*

The Council studied Stable Value Funds and Retirement Security in the Current Economic Conditions. The Council's purpose in studying stable value funds and other stable value investment products ("Stable Value Funds"), was to determine whether the Department should provide (i) requirements or guidelines to retirement plan service providers related to the design or marketing of Stable Value Fund investments; (ii) requirements or guidelines to plan sponsors and fiduciaries for selecting and monitoring Stable Value Funds; and (iii) information to plan participants to assist them in making informed investment decisions regarding Stable Value Fund investments in participant-directed plans.

The Council received testimony from ten (10) witnesses on July 22, 2009 and from eight (8) witnesses on September 16, 2009. These witnesses represented a wide variety of interested parties and viewpoints, including members of the stable value industry, such as Stable Value Fund managers and product providers, independent investment advisors, retirement plan consultants, employee benefits providers, employee benefits attorneys, and non-profit associations. The Council submits the following recommendations to the Secretary of Labor for consideration:

**Recommendation 1:** The Department should prepare and make available informal information, such as FAQs, best practices or other general guidance, targeted to plan sponsors and plan fiduciaries that would assist them in discharging their fiduciary duties when selecting, monitoring and making available plan investments in stable value products.

**Recommendation 2:** The Department should prepare and make available simple and concise educational materials targeted to plan participants that would assist them in the potential investment of their participant-directed investment account in stable value products.