

News Release



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U. S. Labor Department Action Helps Hurricane Victims Access 401(k) Plans

WASHINGTON--Today the U. S. Department of Labor's Employee Benefits Security Administration (EBSA), along with the Internal Revenue Service (IRS), announced guidance for employers and plan officials to help victims of Hurricane Katrina obtain distributions and loans through 401(k) and similar employer-sponsored plans.

"Helping Hurricane Katrina's survivors get back on their feet is our highest priority," said Secretary of Labor Elaine L. Chao. "These actions will make it easier for those in need to get hardship withdrawals and loans from their 401(k)s and similar plans so they can begin rebuilding their lives."

The Department of Labor will not treat any person as having violated the provisions of title I of the Employee Retirement Income Security Act solely because they complied with the provisions of [IRS Announcement 2005-70](#). The IRS announcement, in conjunction with the DOL statement, expands the circumstances under which hardship and loan distributions can be made from a plan to participants and beneficiaries affected by the hurricane. The announcement also eliminates the need for obtaining otherwise required documentation in advance of a hardship or participant loan distribution.

The Labor Department and IRS will continue to monitor the situation to address those issues that are most important in helping individuals, employers, and plan sponsors recover from this tragedy. Further [guidance](#) will be forthcoming. For more information on Hurricane Katrina relief, contact the department at **1-866-4USA-DOL** or EBSA at 1-866-444-3272. Questions about the IRS announcement should be directed to the IRS at 1-877-829-5900.

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