

SENATE COMMITTEE ON 401(K) FEES

1. I am commonly referred to the father of 401(k) because I designed and installed the first plan that used a matching employer contribution and employee pre-tax contributions.

2. I am semi-retired but I am still active and have been in the retirement plan business for 49 years.

3. I am here as an advocate for participants and employers and as a co-owner and officer of a small company that administers plans for small employers.

4. Substantial progress has been made to disclose fees during the past 10 years due to governmental attention and market pressure.

5. Most employers receive fee information today but many participants either don't or it is available but hard to find.

6. There is lots of room for improvement.

7. As a 401(k) advocate, I support the adoption of the Department of Labor proposed regulations but with a delayed effective date.

8. As an officer of a company that administers plans, I am concerned about the time and cost related to complying with these regulations.

9. A major problem is the fact that there isn't any place where the data is readily available for all mutual funds that may be offered in a 401(k) plan.

10. A community effort to gather this information will be useful.

11. Effective date is unworkable.

12. Need to determine who will be responsible for providing the necessary information.

13. Greater disclosure is badly needed but it is questionable how much of an impact greater disclosure will have.