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U.S. Labor Department, ERISA rule allows retirement plan information to be provided electronically

The U.S. Department of Labor today released for publication in the Federal Register a final rule that allows employers to communicate retirement plan information online or by email.

The [final rule](#) [PDF 1.2 MB] (152 pages) allows employers to deliver disclosures to plan participants primarily electronically, but preserves the rights of those plan participants who prefer paper disclosures.

Today's release finalizes a proposed rule (October 2019) of the Employee Benefits Security Administration (EBSA) to allow plan administrators that satisfy certain conditions to notify retirement plan participants that required disclosures, such as a plan's summary plan description, will be posted on a website.

According to a related [Labor Department release](#), the new rule will reduce printing, mailing, and related plan costs and will also make disclosures more readily accessible and useful for participants.

As the Labor Department explained, the final rule allows retirement plan administrators to furnish certain required disclosures using the proposed "notice-and-access" model. Retirement plan administrators also have the option to use email to send disclosures directly to participants. These administrators must notify plan participants about the online disclosures, provide information on how to access the disclosures, and inform participants of their rights to request paper or opt out completely. The new rule also includes additional protections for retirement savers, such as accessibility and readability standards for online disclosures and system checks for invalid electronic addresses.

The final rule will be published in the Federal Register on May 27, 2020.

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