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## **U.S. Labor Department proposes civil penalty rules under the Pension Protection Act**

**WASHINGTON** — The U.S. Department of Labor today announced a proposed regulation for assessing civil penalties against plan administrators who fail to disclose certain documents to participants, beneficiaries and others as required by the Employee Retirement Income Security Act, as amended by the Pension Protection Act (PPA).

The PPA established new disclosure provisions relating to: funding-based limits on benefit accruals and certain forms of benefit distributions; plan actuarial and financial reports; withdrawal liability of contributing employers; and participants' rights and obligations under automatic contribution arrangements. The PPA gives the department authority to assess **civil monetary penalties of up to \$1,000 per day against plan administrators** for violations of the new disclosure requirements. The proposed regulation sets forth the administrative procedures for assessing and contesting such penalties and does not address substantive provisions of the new disclosure requirements.

This proposal will be published in the Dec. 19 edition of the *Federal Register*. The public may submit comments to the department at [e-ORI@dol.gov](mailto:e-ORI@dol.gov) or through the federal e-rulemaking portal at [www.regulations.gov](http://www.regulations.gov). Paper-based comments should be sent to the Office of Regulations and Interpretations, Employee Benefits Security Administration, Room N-5655, U.S. Department of Labor, 200 Constitution Ave. N.W., Washington, D.C. 20210, Attention: 502(c)(4) Civil Penalty.

Source: <http://www.dol.gov/opa/media/press/ebsa/ebsa20071911.htm>

If you would like in validating that you are protected as a plan administrator, please give us a call and we would be more than happy to do a complimentary plan review.

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