

EBSA News



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Employee Benefits Security Administration Releases Field Assistance Bulletin on Multiemployer 401(k) Plans

WASHINGTON--The U.S. Department of Labor's Employee Benefits Security Administration (EBSA) today released Field Assistance Bulletin (FAB) 2003-02 providing enforcement guidance to field investigators considering whether participating employers in multiemployer 401(k) plans have timely forwarded employee contributions to the plan. The FAB states that EBSA investigators may consider the time frames established in collective bargaining and similar agreements for the forwarding of employee contributions in reviewing when those contributions become plan assets under the department's "participant contribution" regulation issued in 1996. The time frames, however, may not extend beyond the maximum period described in the department's regulation.

Under the 1996 regulation, amounts that a participant has paid to or has withheld by an employer for contribution to a plan become plan assets as of the earliest date on which such contributions reasonably can be segregated from the employer's general assets but in no event later than the 15th business day of the month following the withholding.

Under the FAB, in order for the time frames in the agreements to be considered, plan trustees must determine that they reflect the appropriate balance of the costs to the plan of collecting the contributions and the protections to plan participants.

The FAB is part of the department's ongoing compliance assistance program to help employers, plan officials, service providers and others comply with the Employee Retirement Income Security Act. Field Assistance Bulletins are available on the Internet at www.dol.gov/ebsa.

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