

## U.S. Chamber of Commerce



April 21, 2008

Mr. Bradford P. Campbell  
Assistant Secretary of Labor,  
Employee Benefits Security Administration  
Room N-5669  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

**Re: Addendum to Testimony on Service Provider Fee Disclosures**

Dear Mr. Campbell:

On March 31, the U.S. Chamber of Commerce testified before the Employee Benefits Security Administration on service provider fee disclosures under ERISA section 408(b)(2). During the course of testimony, we indicated that we would provide further information on the needs of small business plan sponsors and the possible impact of fee disclosure regulations.

On October 31, 2007, the US Chamber testified before the Ways and Means Committee specifically on the issue of plan fee disclosure and the impact on small business plans. We are attaching a copy of that testimony for your reference. Since that hearing, additional issues and concerns, particular to service provider disclosures, have arisen that we address below.

We are concerned that small business plan sponsors will be overwhelmed with information from service providers. There is a tremendous range in the resources available to responsible plan fiduciaries when evaluating plan fees. Our most sophisticated members have access to expert advice, often in-house, to help them analyze plan fees. Others plan sponsors, however, have limited resources to expend analyzing plan fees. In particular, small business plan sponsors may not have the resources to be able to sort through information and re-configure data. Therefore, a final rule that requires voluminous data gathering, sorting or analysis will over-burden small business plan sponsors and could force them out of the voluntary system. As such, the final rule must address the needs of the least-sophisticated plan sponsors while not overburdening them.

To facilitate useful and straightforward disclosures we recommend that the final rule require service providers to disclose information in a single document. The proposed rule does not mandate a specific manner in which to make disclosures. The preamble reports that written disclosures may be provided from separate documents from separate

sources. We do not believe that the provision of disclosures “from separate documents from separate sources” will result in adequate disclosure to plan fiduciaries – particularly small business plan sponsors. Many responsible plan fiduciaries will likely have difficulty aggregating and analyzing information provided in this manner. As stated in our written comments on the proposed regulation, we recommend that the service provider be required to collect any required disclosures and present them in a single document, to the extent the service provider is able to get the information. We believe that simplifying disclosures in this manner will go a long way toward serving the needs of small business plan sponsors.

Thank you again for the opportunity to testify before the EBSA and provide you with the thoughts and concerns of our members.

Sincerely,



Randy Johnson  
Vice President,  
Labor, Immigration,  
& Employee Benefits



Aliya Wong  
Director of Pension Policy  
Labor, Immigration,  
& Employee Benefits