



November 19, 2019

Preston Rutledge, Assistant Secretary  
Employee Benefits Security Administration  
United States Department of Labor  
200 Constitution Avenue NW  
Washington, DC 20210

**Re: Comments on Default Electronic Disclosure by Employee Pension Benefit Plans Under ERISA (RIN 1210-AB90)**

Dear Assistant Secretary Rutledge:

Domtar is a large producer of communication, specialty and packaging papers, market pulp and absorbent hygiene products. We are the market leader in North America in uncoated freesheet papers (your typical office writing and printing papers) employing nearly 10,000 men and women across the United States, Canada and Europe.

Domtar appreciates the Employee Benefits Security Administration's interest and efforts towards advancing communication and helping citizens make "retirement disclosures...more understandable and useful for participants". Unfortunately, EBSA missed the mark on both of these objectives, by not only ignoring scores of evidence that unequivocally points reduced readership of electronic communication but also increasing the burden on average consumers in the process. Both the Social Security Administration's and the Securities and Exchange Commission's efforts to switch to electronic distribution have resulted in steep declines in readership and participation in online platforms.

There are several important factors that contribute to citizens' pushback on those efforts. The Administration's plans ignore the wishes of citizens who elect to get their information on paper; the remainder have already elected electronic delivery. The government is false in assuming that those who have not made a selection have also not made a decision. The government's assumption in deciding that electronic delivery is preferred is also fallacy, and by using this "implied consent" is forcing those who want to continue receiving this important information on paper to take sometimes burdensome action in order to resume receiving communications by their preference.

A large percentage of retirement funds are owned by private individuals. Owners must be able to decide how they wish to be informed about a fund's performance. Investment companies are duty bound to honor those preferences. This should happen without the government or investment companies deciding what the best delivery method is; this decision rests with fund

holders. Unfortunately, the switching to electronic delivery of statement has little to do with efficiency and everything to do with an attempt to generate cost savings. We understand and appreciate their desire to control costs, but not at the expense of citizens.

Retirement reports are critical tools that help many working Americans in planning their financial future. The importance of the information contained in these reports cannot be overstated. Pushing the information to a digital-first platform ensures that fewer people will be viewing the information due to the increased number of steps required to take to access the information digitally.

The rule as adopted does not yet take into account the roughly one-third of Americans who still lack access and/or the technical know-how to receive electronic communications – a population segment that disproportionately skews towards seniors<sup>1</sup>, lower-income individuals and rural populations<sup>2</sup> (2018 FCC Broadband Deployment Report and PEW Research Center - Technology Use among Seniors).

What the above cited reports also neglect to mention, is that more and more people use their smartphones to access and browse the internet, in some cases that being the only way they access the internet. But as advanced and impressive as these devices are in their capabilities, reading an in-depth document on a four or five inch screen is as challenging as it is inconvenient.

Finally, the Commission's action makes the assumption that every citizen has the proper IT assets and enough technological savvy to access retirement information digitally. Such blanket efforts overlook the plight of millions of Americans who are technologically disenfranchised and go directly against the Administration's efforts of reducing the regulatory and administrative burden on businesses and citizens.

Instead, the Administration's solution is shifting the burden to employers to assist those individuals without the necessary technical know-how, by allowing the establishment of e-mail addresses and thereby consent for e-delivery with no requirement to ensure that those individuals want or will use the addresses. This is an additional burden on employers, which will require more IT infrastructure, more support staff thereby driving costs up, with no guarantee of any benefits to employees.

For years, the Federal Government has been presenting this solution to a problem that does not exist and never did. The majority of citizens still prefer to receive paper communication and those who prefer electronic means have already made the switch to paperless, no matter if the information is coming from SSA, SEC or EBSA.

I hope you will take note of these realities and make appropriate recommendations to once and for all leave the choice to consumers instead of making arbitrary mandates that do not benefit the average citizen.

---

<sup>1</sup> <http://www.pewinternet.org/2017/05/17/technology-use-among-seniors/>

<sup>2</sup> <https://www.fcc.gov/reports-research/reports/broadband-progress-reports/2018-broadband-deployment-report>

Sincerely,

A handwritten signature in black ink, appearing to read 'Stefan Nowicki', written in a cursive style.

Stefan Nowicki

Manager, Government Relations and Communications