

AMENDMENT TO H.R. 3762
OFFERED BY MRS. ROUKEMA

(Study on fiduciary consultants for plans)

(Page & line nos. refer to Committee Print of 3/19/02)

Page 42, insert after line 12 the following new section (and make necessary technical and conforming changes):

1 **SEC. 105. STUDY REGARDING IMPACT ON RETIREMENT**
2 **SAVINGS OF PARTICIPANTS AND BENE-**
3 **FICIARIES BY REQUIRING FIDUCIARY CON-**
4 **SULTANTS FOR INDIVIDUAL ACCOUNT**
5 **PLANS.**

6 (a) STUDY.—As soon as practicable after the date of
7 the enactment of this Act, the Secretary of Labor shall
8 undertake a study of the costs and benefits to participants
9 and beneficiaries of requiring independent fiduciary con-
10 sultants to advise plan fiduciaries in connection with indi-
11 vidual account plans. In conducting such study, the Sec-
12 retary shall consider—

13 (1) the benefits to plan participants and bene-
14 ficiaries of engaging independent fiduciary advisers
15 to provide investment advice regarding the assets of
16 the plan to persons who have fiduciary duties with

1 respect to the management or disposition of such as-
2 sets,

3 (2) the extent to which independent advisers
4 are currently retained by plan fiduciaries,

5 (3) the availability of assistance to fiduciaries
6 from appropriate Federal agencies,

7 (4) the availability of qualified independent fi-
8 duciary consultants to serve the needs of individual
9 account plans in the United States,

10 (5) the impact of the additional fiduciary duty
11 of an independent advisor on the strict fiduciary ob-
12 ligations of plan fiduciaries,

13 (6) the impact of new requirements (consulting
14 fees, reporting requirements, and new plan duties to
15 prudently identify and contract with qualified inde-
16 pendent fiduciary consultants) on the availability of
17 individual account plans, and

18 (7) the impact of a new requirement on the
19 plan administration costs per participant for small
20 and mid-size employers and the pension plans they
21 sponsor.

22 (b) REPORT.—Not later than 1 year after the date
23 of the enactment of this Act, the Secretary of Labor shall
24 report the results of the study undertaken pursuant to this
25 section, together with any recommendations for legislative

1 changes, to the Committee on Education and the Work-
2 force of the House of Representatives and the Committee
3 on Health, Education, Labor, and Pensions of the Senate.