



Indiana Benefits, Inc.

July 29, 2016

Attention: Mabel Echols/Desk Officer for Treasury
Office of Information and Regulatory Affairs
Office of Management and Budget
NEOB, Room 10235
725 17th Street, NW
Washington, DC 20503

Treasury PRA Clearance Officer
Suite 8117
1750 Pennsylvania Ave. NW.
Washington, DC 20220

Re: Comment on Annual Return/Report of Employee Benefit Plan and Form 5500-SUP
OMB Control No: 1545-1610
ICR Reference No: 201606-1545-031

Dear Sir or Madam:

As a both a small business owner and as a retirement plan service provider, I am writing to comment of the above-referenced filing. To cut to the chase, I am requesting:

1. That you delay implementation of the new proposed IRS data collection so that it is effective at the same time that the proposed sweeping DOL changes become effective. If it is impractical to remove these items from existing forms and systems, these questions should remain "optional" until the effective date of the DOL changes.
2. That you review both the IRS and DOL proposed changes in coordination with each other so that you may consider the sum total of the changes and their effect on stakeholders. Be sure that there is ample opportunity for careful consideration, comment and sufficient time for revision and actual implementation of the changes by affected stakeholders (plan sponsors, service providers and plan participants).

In order to carefully and fairly evaluate both the filing and the comments that you are certain to receive, it will be necessary for you to perform your primary functions (as described in your website): "OIRA also coordinates retrospective review of regulation

under Executive Order 13610, reviews and approves Government collections of information from the public under the Paperwork Reduction Act, and oversees the implementation of government-wide policies in the areas of information policy, privacy, and statistical policy."

Over the years, OIRA has developed requirements for Agency Submissions and standards with which to evaluate these submissions. Among the requirements are: a supporting statement, an analysis of burden and a certification regarding the proposed information collection.

As part of your analysis of a filing, one would expect OIRA to carefully review the information submitted in the filing and, where necessary, review the underlying data and estimates to determine that they are reasonable and realistic.

I'd like to bring your attention to some specific issues that are either not addressed or misrepresented in this filing, as follows:

1. Computation of Burden - the analysis of burden contained in the current filing, is based on the difference between the estimated burden of the proposed (but not implemented) 2015 changes (ICR Reference No: 201503-1545-020) and the estimated burden of the proposed 2016 changes.

As you may recall, the burden estimates contained in the prior filing (ICR Reference No: 201503-1545-020) failed to fully incorporate the time and expenses that would actually be required to redesign systems, capture data that has either never before been required (or hasn't been required since before 2005) and analyze the data to accurately answer the new questions. In addition, the 2015 changes were withdrawn, so there is no hard data about what the 2015 "previously approved" actual burden would have been (other than the flawed IRS estimate). If you are assessing the actual burden, shouldn't you be comparing the actual 2015 burden (based on what was required in 2015) against the additional burden resulting from the 2016 changes?

Given the flawed 2015 burden estimates, it would seem prudent to have some independent verification of the reasonableness of the estimates. The 8/9/2012 OMB Memorandum for Heads of Executive Departments and Agencies clearly stated "To the extent feasible and appropriate, especially for complex or lengthy forms, agencies shall engage in advance testing of information collections, including Federal forms, in order (1) to ensure that they are not unnecessarily complex, burdensome, or confusing, (2) to obtain the best available information about the likely burdens on members of the public (including small businesses), and (3) to identify ways to reduce burdens and to increase simplification and ease of comprehension. Such advance testing should occur either before proposing information collections to the public or during the public comment period required by the PRA."



2. Coordination with Other Agencies - In the 3/10/2016 OMB Notice of Action for the IRS proposed 2015 Form 5500 series changes, OMB imposed the following Terms of Clearance: "OMB approves the collection with the following terms of clearance: Treasury/IRS must coordinate approval of any future renewal or revision to this collection with DOL and PBGC. Treasury, DOL and PBGC should seek approval of any revisions or renewals at the same time, so as to minimize any confusion to the public."

The Department of Labor recently submitted a proposed major makeover of the 5500 series (ICR Reference No: 201604-1210-001) - dubbed the "21st Century Initiative". DOL's proposed changes are sweeping and far-reaching. It's likely (but not absolutely certain) that the DOL changes would become effective for 2019. When viewed in conjunction with the IRS changes, the industry will face 2 major system and process makeovers in less than 5 years. This results in a huge and unreasonable burden on plan sponsors, service providers and (most importantly) plan participants and beneficiaries who depend on the private retirement plan system to secure their futures. The costs of this burden will be shouldered by the participants and beneficiaries - American workers who may not benefit from these changes and will likely be hurt (through increased plan compliance costs) by them.

3. Reduced Burden on Small Entities - this is item (c) of the ICR certification (checked in both the 2015 and 2016 IRS filings) and states "It reduces burden on small entities". It is notable that for both the 2015 and 2016 filings, the IRS Supporting Statement (item 5) merely describes the current status quo and does not address the effect that the proposed changes will have on small entities. This is an intentional omission and it's clear that item (c) should have been left unchecked. The facts are clear: (1) these are new information items that must be provided and it will require resources to respond to them, (2) these proposed requirements will affect 806,500 plans and (3) historically 80% of these filings are made by small entities. This is a new burden on over 600,000 small entities!!! How could anyone certify that the proposed changes result in reduced burden?

In summary, please delay the implementation of these new information request items to the effective date of the DOL changes and when reviewing the changes, evaluate both the IRS and DOL changes in coordination with each other. If nothing else, make all of these new questions optional until the coordinated review and effective date of the DOL changes.

OMB/OIRA is charged with applying a reality check and common sense to the unquenchable thirst of agencies for information. In applying your common sense analysis, please do your job - analyze the cost of providing the information versus the benefits to be derived from the information, verify the burden estimates, verify the certification items and compare the Supporting Statement to previous ones (check for cut-and-paste answers that really don't support the changes).



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Continued

Thank you for your consideration of these comments. If you have any questions, please contact me.

Yours truly,

Peter Gould

Peter Gould
President



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