

117TH CONGRESS  
1ST SESSION

# H. R. 409

To provide relief for multiemployer and single employer pension plans, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 21, 2021

Mr. NEAL introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide relief for multiemployer and single employer pension plans, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Emergency Pension  
5 Plan Relief Act of 2021”.

1 **TITLE I—RELIEF FOR MULTIEM-**  
2 **PLOYER PENSION PLANS**

3 **SEC. 101. SPECIAL PARTITION RELIEF.**

4 (a) APPROPRIATION.—Section 4005 of the Employee  
5 Retirement Income Security Act of 1974 (29 U.S.C. 1305)  
6 is amended by adding at the end the following:

7 “(i)(1) An eighth fund shall be established for parti-  
8 tion assistance to multiemployer pension plans, as pro-  
9 vided under section 4233A, and to pay for necessary ad-  
10 ministrative and operating expenses relating to such as-  
11 sistance.

12 “(2) There is appropriated from the general fund  
13 such amounts as necessary for the costs of providing parti-  
14 tion assistance under section 4233A and necessary admin-  
15 istrative and operating expenses. The eighth fund estab-  
16 lished under this subsection shall be credited with such  
17 amounts from time to time as the Secretary of the Treas-  
18 ury determines appropriate, from the general fund of the  
19 Treasury, and such amounts shall remain available until  
20 expended.”.

21 (b) SPECIAL PARTITION AUTHORITY.—The Em-  
22 ployee Retirement Income Security Act of 1974 (29  
23 U.S.C. 1001 et seq.) is amended by inserting after section  
24 4233 the following:

1 **“SEC. 4233A. SPECIAL PARTITION RELIEF.**

2 “(a) SPECIAL PARTITION AUTHORITY.—

3 “(1) IN GENERAL.—Upon the application of a  
4 plan sponsor of an eligible multiemployer plan for  
5 partition of the plan under this section, the corpora-  
6 tion shall order a partition of the plan in accordance  
7 with this section.

8 “(2) INAPPLICABILITY OF CERTAIN REPAYMENT  
9 OBLIGATION.—A plan receiving partition assistance  
10 pursuant to this section shall not be subject to re-  
11 payment obligations under section 4261(b)(2).

12 “(b) ELIGIBLE PLANS.—

13 “(1) IN GENERAL.—For purposes of this sec-  
14 tion, a multiemployer plan is an eligible multiem-  
15 ployer plan if—

16 “(A) the plan is in critical and declining  
17 status (within the meaning of section  
18 305(b)(6)) in any plan year beginning in 2020  
19 through 2024;

20 “(B) a suspension of benefits has been ap-  
21 proved with respect to the plan under section  
22 305(e)(9) as of the date of the enactment of  
23 this section;

24 “(C) in any plan year beginning in 2020  
25 through 2024, the plan is certified by the plan  
26 actuary to be in critical status (within the

1 meaning of section 305(b)(2)), has a modified  
2 funded percentage of less than 40 percent, and  
3 has a ratio of active to inactive participants  
4 which is less than 2 to 3; or

5 “(D) the plan is insolvent for purposes of  
6 section 418E of the Internal Revenue Code of  
7 1986 as of the date of enactment of this sec-  
8 tion, if the plan became insolvent after Decem-  
9 ber 16, 2014, and has not been terminated by  
10 such date of enactment.

11 “(2) MODIFIED FUNDED PERCENTAGE.—For  
12 purposes of paragraph (1)(C), the term ‘modified  
13 funded percentage’ means the percentage equal to a  
14 fraction the numerator of which is current value of  
15 plan assets (as defined in section 3(26) of such Act)  
16 and the denominator of which is current liabilities  
17 (as defined in section 431(c)(6)(D) of such Code and  
18 section 304(c)(6)(D) of such Act).

19 “(c) APPLICATIONS FOR SPECIAL PARTITION.—

20 “(1) GUIDANCE.—The corporation shall issue  
21 guidance setting forth requirements for special parti-  
22 tion applications under this section not later than  
23 120 days after the date of the enactment of this sec-  
24 tion. In such guidance, the corporation shall—

1           “(A) limit the materials required for a spe-  
2           cial partition application to the minimum nec-  
3           essary to make a determination on the applica-  
4           tion; and

5           “(B) provide for an alternate application  
6           for special partition under this section, which  
7           may be used by a plan that has been approved  
8           for a partition under section 4233 before the  
9           date of enactment of this section.

10           “(2) TEMPORARY PRIORITY CONSIDERATION OF  
11           APPLICATIONS.—

12           “(A) IN GENERAL.—The corporation may  
13           specify in guidance under paragraph (1) that,  
14           during the first 2 years following the date of  
15           enactment of this section, special partition ap-  
16           plications will be provided priority consider-  
17           ation, if—

18                   “(i) the plan is likely to become insol-  
19                   vent within 5 years of the date of enact-  
20                   ment of this section;

21                   “(ii) the corporation projects a plan to  
22                   have a present value of financial assistance  
23                   payments under section 4261 that exceeds  
24                   \$1,000,000,000 if the special partition is  
25                   not ordered;

1           “(iii) the plan has implemented ben-  
2           efit suspensions under section 305(e)(9) as  
3           of the date of the enactment of this sec-  
4           tion; or

5           “(iv) the corporation determines it ap-  
6           propriate based on other circumstances.

7           “(B) NO EFFECT ON AMOUNT OF ASSIST-  
8           ANCE.—A plan that is approved for special par-  
9           tition assistance under this section shall not re-  
10          ceive reduced special partition assistance on ac-  
11          count of not receiving priority consideration  
12          under subparagraph (A).

13          “(3) ACTUARIAL ASSUMPTIONS AND OTHER IN-  
14          FORMATION.—The corporation shall accept assump-  
15          tions incorporated in a multiemployer plan’s deter-  
16          mination that it is in critical status or critical and  
17          declining status (within the meaning of section  
18          305(b)), or that the plan’s modified funded percent-  
19          age is less than 40 percent, unless such assumptions  
20          are clearly erroneous. The corporation may require  
21          such other information as the corporation deter-  
22          mines appropriate for making a determination of eli-  
23          gibility and the amount of special partition assist-  
24          ance necessary under this section.

1           “(4) APPLICATION DEADLINE.—Any application  
2           by a plan for special partition assistance under this  
3           section shall be submitted no later than December  
4           31, 2026, and any revised application for special  
5           partition assistance shall be submitted no later than  
6           December 31, 2027.

7           “(5) NOTICE OF APPLICATION.—Not later than  
8           120 days after the date of enactment of this section,  
9           the corporation shall issue guidance requiring multi-  
10          employer plans to notify participants and bene-  
11          ficiaries that the plan has applied for partition  
12          under this section, after the corporation has deter-  
13          mined that the application is complete. Such notice  
14          shall reference the special partition relief internet  
15          website described in subsection (p).

16          “(d) DETERMINATIONS ON APPLICATIONS.—A plan’s  
17          application for special partition under this section that is  
18          timely filed in accordance with guidance issued under sub-  
19          section (c)(1) shall be deemed approved and the corpora-  
20          tion shall issue a special partition order unless the cor-  
21          poration notifies the plan within 120 days of the filing  
22          of the application that the application is incomplete or the  
23          plan is not eligible under this section. Such notice shall  
24          specify the reasons the plan is ineligible for a special parti-  
25          tion or information needed to complete the application. If

1 a plan is denied partition under this subsection, the plan  
2 may submit a revised application under this section. Any  
3 revised application for special partition submitted by a  
4 plan shall be deemed approved unless the corporation noti-  
5 fies the plan within 120 days of the filing of the revised  
6 application that the application is incomplete or the plan  
7 is not eligible under this section. A special partition order  
8 issued by the corporation shall be effective no later than  
9 120 days after a plan’s special partition application is ap-  
10 proved by the corporation or deemed approved.

11 “(e) AMOUNT AND MANNER OF SPECIAL PARTITION  
12 ASSISTANCE.—

13 “(1) IN GENERAL.—The liabilities of an eligible  
14 multiemployer plan that the corporation assumes  
15 pursuant to a special partition order under this sec-  
16 tion shall be the amount necessary for the plan to  
17 meet its funding goals described in subsection (g).

18 “(2) NO CAP.—Liabilities assumed by the cor-  
19 poration pursuant to a special partition order under  
20 this section shall not be capped by the guarantee  
21 under section 4022A. The corporation shall have dis-  
22 cretion on how liabilities of the plan are partitioned.

23 “(f) SUCCESSOR PLAN.—



1           “(1) IN GENERAL.—The plan created by a spe-  
2           cial partition order under this section is a successor  
3           plan to which section 4022A applies.

4           “(2) PLAN SPONSOR AND ADMINISTRATOR.—  
5           The plan sponsor of an eligible multiemployer plan  
6           prior to the special partition and the administrator  
7           of such plan shall be the plan sponsor and the ad-  
8           ministrator, respectively, of the plan created by the  
9           partition.

10          “(g) FUNDING GOALS.—

11           “(1) IN GENERAL.—The funding goals of a  
12           multiemployer plan eligible for partition under this  
13           section are both of the following:

14           “(A) The plan will remain solvent over 30  
15           years with no reduction in a participant’s or  
16           beneficiary’s accrued benefit (except to the ex-  
17           tent of a reduction in accordance with section  
18           305(e)(8) adopted prior to the plan’s applica-  
19           tion for partition under this section).

20           “(B) The funded percentage of the plan  
21           (disregarding partitioned benefits) at the end of  
22           the 30-year period is projected to be 80 percent.

23           “(2) BASIS.—The funding projections under  
24           paragraph (1) shall be performed on a deterministic  
25           basis.

1       “(h) RESTORATION OF BENEFIT SUSPENSIONS.—An  
2 eligible multiemployer plan that is partitioned under this  
3 section shall—

4           “(1) reinstate any benefits that were suspended  
5 under section 305(e)(9) or section 4245(a), effective  
6 as of the first month the special partition order is  
7 effective, for participants or beneficiaries as of the  
8 effective date of the partition; and

9           “(2) provide payments equal to the amount of  
10 benefits previously suspended to any participants or  
11 beneficiaries in pay status as of the effective date of  
12 the special partition, payable in the form of a lump  
13 sum within 3 months of such effective date or in  
14 equal monthly installments over a period of 5 years,  
15 with no adjustment for interest.

16       “(i) ADJUSTMENT OF SPECIAL PARTITION ASSIST-  
17 ANCE.—

18           “(1) IN GENERAL.—Every 5 years, the corpora-  
19 tion shall adjust the special partition assistance de-  
20 scribed in subsection (e) as necessary for the eligible  
21 multiemployer plan to satisfy the funding goals de-  
22 scribed in subsection (g). If the 30-year period de-  
23 scribed in subsection (g) has lapsed, in applying this  
24 paragraph, 5 years shall be substituted for 30 years.

1           “(2) SUBMISSION OF INFORMATION.—An eligi-  
2           ble multiemployer plan that is the subject of a spe-  
3           cial partition order under subsection (a) shall submit  
4           such information as the corporation may require to  
5           determine the amount of the adjustment under para-  
6           graph (1).

7           “(3) CESSATION OF ADJUSTMENTS.—Adjust-  
8           ments under this subsection with respect to special  
9           partition assistance for an eligible multiemployer  
10          plan shall cease and the corporation shall perma-  
11          nently assume liability for payment of any benefits  
12          transferred to the successor plan (subject to sub-  
13          section (l)) beginning with the first plan year that  
14          the funded percentage of the eligible multiemployer  
15          plan (disregarding partitioned benefits) is at least  
16          80 percent and the plan’s projected funded percent-  
17          age for each of the next 10 years is at least 80 per-  
18          cent. Any accumulated funding deficiency of the  
19          plan (within the meaning of section 304(a)) shall be  
20          reduced to zero as of the first day of the plan year  
21          for which partition assistance is permanent under  
22          this paragraph.

23          “(j) CONDITIONS ON PLANS DURING PARTITION.—

24                 “(1) IN GENERAL.—The corporation may im-  
25                 pose, by regulation, reasonable conditions on an eli-

1       gible multiemployer plan that is partitioned under  
2       section (a) relating to increases in future accrual  
3       rates and any retroactive benefit improvements, allo-  
4       cation of plan assets, reductions in employer con-  
5       tribution rates, diversion of contributions to, and al-  
6       location of, expenses to other retirement plans, and  
7       withdrawal liability.

8               “(2) LIMITATIONS.—The corporation shall not  
9       impose conditions on an eligible multiemployer plan  
10       as a condition of or following receipt of such parti-  
11       tion assistance under this section relating to—

12                       “(A) any reduction in plan benefits (in-  
13                       cluding benefits that may be adjusted pursuant  
14                       to section 305(e)(8));

15                       “(B) plan governance, including selection  
16                       of, removal of, and terms of contracts with,  
17                       trustees, actuaries, investment managers, and  
18                       other service providers; or

19                       “(C) any funding rules relating to the plan  
20                       that is partitioned under this section.

21               “(3) CONDITION.—An eligible multiemployer  
22       plan that is partitioned under subsection (a) shall  
23       continue to pay all premiums due under section  
24       4007 for participants and beneficiaries in the plan  
25       created by a special partition order until the plan

1 year beginning after a cessation of adjustments ap-  
2 plies under subsection (i).

3 “(k) WITHDRAWAL LIABILITY.—An employer’s with-  
4 drawal liability for purposes of this title shall be calculated  
5 taking into account any plan liabilities that are partitioned  
6 under subsection (a) until the plan year beginning after  
7 the expiration of 15 calendar years from the effective date  
8 of the partition.

9 “(l) CESSATION OF PARTITION ASSISTANCE.—If a  
10 plan that receives partition assistance under this section  
11 becomes insolvent for purposes of section 418E of the In-  
12 ternal Revenue Code of 1986, the plan shall no longer be  
13 eligible for assistance under this section and shall be eligi-  
14 ble for assistance under section 4261.

15 “(m) REPORTING.—An eligible multiemployer plan  
16 that receives partition assistance under this section shall  
17 file with the corporation a report, including the following  
18 information, in such manner (which may include electronic  
19 filing requirements) and at such time as the corporation  
20 requires:

21 “(1) The funded percentage (as defined in sec-  
22 tion 305(j)(2)) as of the first day of such plan year,  
23 and the underlying actuarial value of assets and li-  
24 abilities taken into account in determining such per-  
25 centage.

1           “(2) The market value of the assets of the plan  
2           (determined as provided in paragraph (1)) as of the  
3           last day of the plan year preceding such plan year.

4           “(3) The total value of all contributions made  
5           by employers and employees during the plan year  
6           preceding such plan year.

7           “(4) The total value of all benefits paid during  
8           the plan year preceding such plan year.

9           “(5) Cash flow projections for such plan year  
10          and the 9 succeeding plan years, and the assump-  
11          tions used in making such projections.

12          “(6) Funding standard account projections for  
13          such plan year and the 9 succeeding plan years, and  
14          the assumptions relied upon in making such projec-  
15          tions.

16          “(7) The total value of all investment gains or  
17          losses during the plan year preceding such plan year.

18          “(8) Any significant reduction in the number of  
19          active participants during the plan year preceding  
20          such plan year, and the reason for such reduction.

21          “(9) A list of employers that withdrew from the  
22          plan in the plan year preceding such plan year, the  
23          payment schedule with respect to such withdrawal li-  
24          ability, and the resulting reduction in contributions.

1           “(10) A list of employers that paid withdrawal  
2 liability to the plan during the plan year preceding  
3 such plan year and, for each employer, a total as-  
4 sessment of the withdrawal liability paid, the annual  
5 payment amount, and the number of years remain-  
6 ing in the payment schedule with respect to such  
7 withdrawal liability.

8           “(11) Any material changes to benefits, accrual  
9 rates, or contribution rates during the plan year pre-  
10 ceding such plan year, and whether such changes re-  
11 late to the conditions of the partition assistance.

12           “(12) Details regarding any funding improve-  
13 ment plan or rehabilitation plan and updates to such  
14 plan.

15           “(13) The number of participants and bene-  
16 ficiaries during the plan year preceding such plan  
17 year who are active participants, the number of par-  
18 ticipants and beneficiaries in pay status, and the  
19 number of terminated vested participants and bene-  
20 ficiaries.

21           “(14) The information contained on the most  
22 recent annual funding notice submitted by the plan  
23 under section 101(f).

24           “(15) The information contained on the most  
25 recent annual return under section 6058 of the In-

1        ternal Revenue Code of 1986 and actuarial report  
2        under section 6059 of such Code of the plan.

3            “(16) Copies of the plan document and amend-  
4        ments, other retirement benefit or ancillary benefit  
5        plans relating to the plan and contribution obliga-  
6        tions under such plans, a breakdown of administra-  
7        tive expenses of the plan, participant census data  
8        and distribution of benefits, the most recent actu-  
9        arial valuation report as of the plan year, financial  
10       reports, and copies of the portions of collective bar-  
11       gaining agreements relating to plan contributions,  
12       funding coverage, or benefits, and such other infor-  
13       mation as the corporation may reasonably require.

14 Any information disclosed by a plan to the corporation  
15 that could identify individual employers shall be confiden-  
16 tial and not subject to publication or disclosure.

17        “(n) REPORT TO CONGRESS.—

18            “(1) IN GENERAL.—Not later than 1 year after  
19        the date of enactment of this section and annually  
20        thereafter, the board of directors of the corporation  
21        shall submit to the Committee on Health, Edu-  
22        cation, Labor, and Pensions and the Committee on  
23        Finance of the Senate and the Committee on Edu-  
24        cation and Labor and the Committee on Ways and  
25        Means of the House of Representatives a detailed re-



1 port on the implementation and administration of  
2 this section. Such report shall include—

3 “(A) information on the name and number  
4 of multiemployer plans that have applied for  
5 partition assistance under this section;

6 “(B) the name and number of such plans  
7 that have been approved for partition assistance  
8 under this section and the name and number of  
9 the plans that have not been approved for spe-  
10 cial partition assistance;

11 “(C) a detailed rationale for any decision  
12 by the corporation to not approve an applica-  
13 tion for special partition assistance;

14 “(D) the amount of special partition as-  
15 sistance provided to eligible multiemployer  
16 plans (including amounts provided on an indi-  
17 vidual plan basis and in the aggregate);

18 “(E) the name and number of the multi-  
19 employer plans that restored benefit suspen-  
20 sions and provided lump sum or monthly in-  
21 stallment payments to participants or bene-  
22 ficiaries;

23 “(F) the amount of benefits that were re-  
24 stored and lump sum or monthly installment  
25 payments that were paid (including amounts

1 provided on an individual plan basis and in the  
2 aggregate);

3 “(G) the name and number of the plans  
4 that received adjustments to partition assist-  
5 ance under subsection (i);

6 “(H) a list of, and rationale for, each rea-  
7 sonable condition imposed by the corporation on  
8 plans approved for special partition assistance  
9 under this section;

10 “(I) the contracts that have been awarded  
11 by the corporation to implement or administer  
12 this section;

13 “(J) the number, purpose, and dollar  
14 amounts of the contracts that have been award-  
15 ed to implement or administer the section;

16 “(K) a detailed summary of the reports re-  
17 quired under subsection (m); and

18 “(L) a detailed summary of the feedback  
19 received on the pension relief internet website  
20 established under subsection (p).

21 “(2) PBGC CERTIFICATION.—The board of di-  
22 rectors of the corporation shall include with the re-  
23 port under paragraph (1) a certification and affir-  
24 mation that the amount of special partition assist-  
25 ance provided to each plan under this section is the

1 amount necessary to meet its funding goals under  
2 subsection (g), including, if applicable, any adjust-  
3 ment of special partition assistance as determined  
4 under subsection (i).

5 “(3) CONFIDENTIALITY.—Congress may pub-  
6 licize the reports received under paragraph (1) only  
7 after redacting all sensitive or proprietary informa-  
8 tion.

9 “(o) GAO REPORT.—Not later than 1 year after the  
10 first partition application is approved by the corporation  
11 under this section, and biennially thereafter, the Comp-  
12 troller General of the United States shall submit to the  
13 Committee on Health, Education, Labor, and Pensions  
14 and the Committee on Finance of the Senate and the  
15 Committee on Education and Labor and the Committee  
16 on Ways and Means of the House of Representatives a  
17 detailed report on the actions of the corporation to imple-  
18 ment and administer this section, including an examina-  
19 tion of the contracts awarded by such corporation to carry  
20 out this section and an analysis of such corporation’s com-  
21 pliance with subsections (e) and (g).

22 “(p) SPECIAL PARTITION RELIEF WEBSITE.—

23 “(1) ESTABLISHMENT.—Not later than 120  
24 days after the date of enactment of this section, the  
25 corporation shall establish and maintain a user-

1 friendly, public-facing internet website to foster  
2 greater accountability and transparency in the im-  
3 plementation and administration of this section.

4 “(2) PURPOSE.—The internet website estab-  
5 lished and maintained under paragraph (1) shall be  
6 a portal to key information relating to this section  
7 for multiemployer plan administrators and trustees,  
8 plan participants, beneficiaries, participating em-  
9 ployers, other stakeholders, and the public.

10 “(3) CONTENT AND FUNCTION.—The internet  
11 website established under paragraph (1) shall—

12 “(A) describe the nature and scope of the  
13 special partition authority and assistance under  
14 this section in a manner calculated to be under-  
15 stood by the average plan participant;

16 “(B) include published guidance, regula-  
17 tions, and all other relevant information on the  
18 implementation and administration of this sec-  
19 tion;

20 “(C) include, with respect to plan applica-  
21 tions for special partition assistance—

22 “(i) a general description of the proc-  
23 ess by which eligible plans can apply for  
24 special partition assistance, information on

1           how and when the corporation will process  
2           and consider plan applications;

3           “(ii) information on how the corpora-  
4           tion will address any incomplete applica-  
5           tions as specified in under this section;

6           “(iii) a list of the plans that have ap-  
7           plied for special partition assistance and,  
8           for each application, the date of submis-  
9           sion of a completed application;

10          “(iv) the text of each plan’s completed  
11          application for special partition assistance  
12          with appropriate redactions of personal,  
13          proprietary, or sensitive information;

14          “(v) the estimated date that a deci-  
15          sion will be made by the corporation on  
16          each application;

17          “(vi) the actual date when such deci-  
18          sion is made;

19          “(vii) the corporation’s decision on  
20          each application; and

21          “(viii) as applicable, a detailed ration-  
22          ale for any decision not to approve a plan’s  
23          application for special partition assistance;

1           “(D) provide detailed information on each  
2 contract solicited and awarded to implement or  
3 administer this section;

4           “(E) include reports, audits, and other rel-  
5 evant oversight and accountability information  
6 on this section, including the annual reports  
7 submitted by the board of directors of the cor-  
8 poration to Congress required under subsection  
9 (n), the Office of the Inspector General audits,  
10 correspondence, and publications, and the Gov-  
11 ernment Accountability Office reports under  
12 subsection (o);

13           “(F) provide a clear means for multiem-  
14 ployer plan administrators, plan participants,  
15 beneficiaries, other stakeholders, and the public  
16 to contact the corporation and provide feedback  
17 on the implementation and administration of  
18 this section; and

19           “(G) be regularly updated to carry out the  
20 purposes of this subsection.

21           “(q) OFFICE OF INSPECTOR GENERAL.—There is au-  
22 thorized to be appropriated to the corporation’s Office of  
23 Inspector General \$24,000,000 for fiscal year 2020, which  
24 shall remain available through September 30, 2028, for  
25 salaries and expenses necessary for conducting investiga-

1 tions and audits of the implementation and administration  
2 of this section.

3 “(r) APPLICATION OF EXCISE TAX.—During the pe-  
4 riod that a plan is subject to a partition order under this  
5 section and prior to a cessation of adjustments pursuant  
6 to subsection (i)(3), the plan shall not be subject to section  
7 4971 of the Internal Revenue Code of 1986.”.

8 **SEC. 102. REPEAL OF BENEFIT SUSPENSIONS FOR MULTI-**  
9 **EMPLOYER PLANS IN CRITICAL AND DECLIN-**  
10 **ING STATUS.**

11 (a) AMENDMENT TO INTERNAL REVENUE CODE OF  
12 1986.—Paragraph (9) of section 432(e) of the Internal  
13 Revenue Code of 1986 is repealed.

14 (b) AMENDMENT TO EMPLOYEE RETIREMENT IN-  
15 COME SECURITY ACT OF 1974.—Paragraph (9) of section  
16 305(e) of the Employee Retirement Income Security Act  
17 of 1974 (29 U.S.C. 1085(e)) is repealed.

18 (c) EFFECTIVE DATE.—The repeals made by this  
19 section shall not apply to plans that have been approved  
20 for a suspension of benefit under section 432(e)(9)(G) of  
21 the Internal Revenue Code of 1986 and section  
22 305(e)(9)(G) of the Employee Retirement Income Security  
23 Act of 1974 (29 U.S.C. 1085(e)(9)(G)) before the date  
24 of the enactment of this Act.

1 **SEC. 103. TEMPORARY DELAY OF DESIGNATION OF MULTI-**  
2 **EMPLOYER PLANS AS IN ENDANGERED, CRIT-**  
3 **ICAL, OR CRITICAL AND DECLINING STATUS.**

4 (a) IN GENERAL.—Notwithstanding the actuarial  
5 certification under section 305(b)(3) of the Employee Re-  
6 tirement Income Security Act of 1974 and section  
7 432(b)(3) of the Internal Revenue Code of 1986, if a plan  
8 sponsor of a multiemployer plan elects the application of  
9 this section, then, for purposes of section 305 of such Act  
10 and section 432 of such Code—

11 (1) the status of the plan for its first plan year  
12 beginning during the period beginning on March 1,  
13 2020, and ending on February 28, 2021, or the next  
14 succeeding plan year (as designated by the plan  
15 sponsor in such election), shall be the same as the  
16 status of such plan under such sections for the plan  
17 year preceding such designated plan year, and

18 (2) in the case of a plan which was in endan-  
19 gered or critical status for the plan year preceding  
20 the designated plan year described in paragraph (1),  
21 the plan shall not be required to update its plan or  
22 schedules under section 305(c)(6) of such Act and  
23 section 432(c)(6) of such Code, or section  
24 305(e)(3)(B) of such Act and section 432(e)(3)(B)  
25 of such Code, whichever is applicable, until the plan



1 year following the designated plan year described in  
2 paragraph (1).

3 If section 305 of the Employee Retirement Income Secu-  
4 rity Act of 1974 and section 432 of the Internal Revenue  
5 Code of 1986 did not apply to the plan year preceding  
6 the designated plan year described in paragraph (1), the  
7 plan actuary shall make a certification of the status of  
8 the plan under section 305(b)(3) of such Act and section  
9 432(b)(3) of such Code for the preceding plan year in the  
10 same manner as if such sections had applied to such pre-  
11 ceding plan year.

12 (b) EXCEPTION FOR PLANS BECOMING CRITICAL  
13 DURING ELECTION.—If—

14 (1) an election was made under subsection (a)  
15 with respect to a multiemployer plan, and

16 (2) such plan has, without regard to such elec-  
17 tion, been certified by the plan actuary under section  
18 305(b)(3) of the Employee Retirement Income Secu-  
19 rity Act of 1974 and section 432(b)(3) of the Inter-  
20 nal Revenue Code of 1986 to be in critical status for  
21 the designated plan year described in subsection  
22 (a)(1), then such plan shall be treated as a plan in  
23 critical status for such plan year for purposes of ap-  
24 plying section 4971(g)(1)(A) of such Code, section  
25 302(b)(3) of such Act (without regard to the second

1 sentence thereof), and section 412(b)(3) of such  
2 Code (without regard to the second sentence there-  
3 of).

4 (c) ELECTION AND NOTICE.—

5 (1) ELECTION.—An election under subsection  
6 (a)—

7 (A) shall be made at such time and in such  
8 manner as the Secretary of the Treasury or the  
9 Secretary's delegate may prescribe and, once  
10 made, may be revoked only with the consent of  
11 the Secretary, and

12 (B) if made—

13 (i) before the date the annual certifi-  
14 cation is submitted to the Secretary or the  
15 Secretary's delegate under section  
16 305(b)(3) of such Act and section  
17 432(b)(3) of such Code, shall be included  
18 with such annual certification, and

19 (ii) after such date, shall be submitted  
20 to the Secretary or the Secretary's delegate  
21 not later than 30 days after the date of the  
22 election.

23 (2) NOTICE TO PARTICIPANTS.—

24 (A) IN GENERAL.—Notwithstanding sec-  
25 tion 305(b)(3)(D) of the Employee Retirement

1           Income Security Act of 1974 and section  
2           432(b)(3)(D) of the Internal Revenue Code of  
3           1986, if the plan is neither in endangered nor  
4           critical status by reason of an election made  
5           under subsection (a)—

6                   (i) the plan sponsor of a multiem-  
7                   ployer plan shall not be required to provide  
8                   notice under such sections, and

9                   (ii) the plan sponsor shall provide to  
10                  the participants and beneficiaries, the bar-  
11                  gaining parties, the Pension Benefit Guar-  
12                  anty Corporation, and the Secretary of  
13                  Labor a notice of the election under sub-  
14                  section (a) and such other information as  
15                  the Secretary of the Treasury (in consulta-  
16                  tion with the Secretary of Labor) may re-  
17                  quire—

18                   (I) if the election is made before  
19                   the date the annual certification is  
20                   submitted to the Secretary or the Sec-  
21                   retary's delegate under section  
22                   305(b)(3) of such Act and section  
23                   432(b)(3) of such Code, not later than  
24                   30 days after the date of the certifi-  
25                   cation, and

1 (II) if the election is made after  
2 such date, not later than 30 days  
3 after the date of the election.

4 (B) NOTICE OF ENDANGERED STATUS.—  
5 Notwithstanding section 305(b)(3)(D) of such  
6 Act and section 432(b)(3)(D) of such Code, if  
7 the plan is certified to be in critical status for  
8 any plan year but is in endangered status by  
9 reason of an election made under subsection  
10 (a), the notice provided under such sections  
11 shall be the notice which would have been pro-  
12 vided if the plan had been certified to be in en-  
13 dangered status.

14 **SEC. 104. TEMPORARY EXTENSION OF THE FUNDING IM-**  
15 **PROVEMENT AND REHABILITATION PERIODS**  
16 **FOR MULTIEMPLOYER PENSION PLANS IN**  
17 **CRITICAL AND ENDANGERED STATUS FOR**  
18 **2020 OR 2021.**

19 (a) IN GENERAL.—If the plan sponsor of a multiem-  
20 ployer plan which is in endangered or critical status for  
21 a plan year beginning in 2020 or 2021 (determined after  
22 application of section 4) elects the application of this sec-  
23 tion, then, for purposes of section 305 of the Employee  
24 Retirement Income Security Act of 1974 and section 432  
25 of the Internal Revenue Code of 1986—

1 (1) except as provided in paragraph (2), the  
2 plan's funding improvement period or rehabilitation  
3 period, whichever is applicable, shall be 15 years  
4 rather than 10 years, and

5 (2) in the case of a plan in seriously endan-  
6 gered status, the plan's funding improvement period  
7 shall be 20 years rather than 15 years.

8 (b) DEFINITIONS AND SPECIAL RULES.—For pur-  
9 poses of this section—

10 (1) ELECTION.—An election under this section  
11 shall be made at such time, and in such manner and  
12 form, as (in consultation with the Secretary of  
13 Labor) the Secretary of the Treasury or the Sec-  
14 retary's delegate may prescribe.

15 (2) DEFINITIONS.—Any term which is used in  
16 this section which is also used in section 305 of the  
17 Employee Retirement Income Security Act of 1974  
18 and section 432 of the Internal Revenue Code of  
19 1986 shall have the same meaning as when used in  
20 such sections.

21 (c) EFFECTIVE DATE.—This section shall apply to  
22 plan years beginning after December 31, 2019.

23 **SEC. 105. ADJUSTMENTS TO FUNDING STANDARD ACCOUNT**  
24 **RULES.**

25 (a) ADJUSTMENTS.—

1           (1) AMENDMENT TO EMPLOYEE RETIREMENT  
2 INCOME SECURITY ACT OF 1974.—Section 304(b)(8)  
3 of the Employee Retirement Income Security Act of  
4 1974 (29 U.S.C. 1084(b)) is amended by adding at  
5 the end the following new subparagraph:

6           “(F) RELIEF FOR 2020 AND 2021.—A mul-  
7 tiemployer plan with respect to which the sol-  
8 vency test under subparagraph (C) is met as of  
9 February 29, 2020, may elect to apply this  
10 paragraph by substituting ‘February 29, 2020’  
11 for ‘August 31, 2008’ each place it appears in  
12 subparagraphs (A)(i), (B)(i)(I), and (B)(i)(II)  
13 (without regard to whether such plan previously  
14 elected the application of this paragraph). The  
15 preceding sentence shall not apply to a plan  
16 with respect to which a partition order is in ef-  
17 fect under section 4233A.”.

18           (2) AMENDMENT TO INTERNAL REVENUE CODE  
19 OF 1986.—Section 431(b)(8) of the Internal Revenue  
20 Code of 1986 is amended by adding at the end the  
21 following new subparagraph:

22           “(F) RELIEF FOR 2020 AND 2021.—A mul-  
23 tiemployer plan with respect to which the sol-  
24 vency test under subparagraph (C) is met as of  
25 February 29, 2020, may elect to apply this

1 paragraph by substituting ‘February 29, 2020’  
2 for ‘August 31, 2008’ each place it appears in  
3 subparagraphs (A)(i), (B)(i)(I), and (B)(i)(II)  
4 (without regard to whether such plan previously  
5 elected the application of this paragraph). The  
6 preceding sentence shall not apply to a plan  
7 with respect to which a partition order is in ef-  
8 fect under section 4233A of the Employee Re-  
9 tirement Income Security Act of 1974.’’.

10 (b) EFFECTIVE DATES.—

11 (1) IN GENERAL.—The amendments made by  
12 this section shall take effect as of the first day of  
13 the first plan year ending on or after February 29,  
14 2020, except that any election a plan makes pursu-  
15 ant to this section that affects the plan’s funding  
16 standard account for the first plan year beginning  
17 after February 29, 2020, shall be disregarded for  
18 purposes of applying the provisions of section 305 of  
19 the Employee Retirement Income Security Act of  
20 1974 and section 432 of the Internal Revenue Code  
21 of 1986 to such plan year.

22 (2) RESTRICTIONS ON BENEFIT INCREASES.—

23 Notwithstanding paragraph (1), the restrictions on  
24 plan amendments increasing benefits in sections  
25 304(b)(8)(D) of such Act and 431(b)(8)(D) of such

1 Code, as applied by the amendments made by this  
2 section, shall take effect on the date of enactment of  
3 this Act.

4 **SEC. 106. PBGC GUARANTEE FOR PARTICIPANTS IN MULTI-**  
5 **EMPLOYER PLANS.**

6 Section 4022A(c)(1) of the Employee Retirement In-  
7 come Security Act of 1974 (29 U.S.C. 1322a(c)(1)) is  
8 amended by striking subparagraphs (A) and (B) and in-  
9 serting the following:

10 “(A) 100 percent of the accrual rate up to \$15,  
11 plus 75 percent of the lesser of—

12 “(i) \$70; or

13 “(ii) the accrual rate, if any, in excess of  
14 \$15; and

15 “(B) the number of the participant’s years of  
16 credited service.

17 For each calendar year after the first full calendar year  
18 following the date of the enactment of the Emergency  
19 Pension Plan Relief Act of 2021, the accrual rates in sub-  
20 paragraph (A) shall increase by the national average wage  
21 index (as defined in section 209(k)(1) of the Social Secu-  
22 rity Act). For purposes of this subsection, the rates appli-  
23 cable for determining the guaranteed benefits of the par-  
24 ticipants of any plan shall be the rates in effect for the  
25 calendar year in which the plan becomes insolvent under



1 section 4245 or the calendar year in which the plan is  
 2 terminated, if earlier.”.

3 **TITLE II—RELIEF FOR SINGLE**  
 4 **EMPLOYER PENSION PLANS**

5 **SEC. 201. EXTENDED AMORTIZATION FOR SINGLE EM-**  
 6 **PLOYER PLANS.**

7 (a) 15-YEAR AMORTIZATION UNDER THE INTERNAL  
 8 REVENUE CODE OF 1986.—Section 430(c) of the Internal  
 9 Revenue Code of 1986 is amended by adding at the end  
 10 the following new paragraph:

11 “(8) 15-YEAR AMORTIZATION.—With respect to  
 12 plan years beginning after December 31, 2019—

13 “(A) the shortfall amortization bases for  
 14 all plan years preceding the first plan year be-  
 15 ginning after December 31, 2019 (and all  
 16 shortfall amortization installments determined  
 17 with respect to such bases), shall be reduced to  
 18 zero, and

19 “(B) subparagraphs (A) and (B) of para-  
 20 graph (2) shall each be applied by substituting  
 21 ‘15-plan-year period’ for ‘7-plan-year period’.”.

22 (b) 15-YEAR AMORTIZATION UNDER THE EMPLOYEE  
 23 RETIREMENT INCOME SECURITY ACT OF 1974.—Section  
 24 303(c) of the Employee Retirement Income Security Act

1 of 1974 (29 U.S.C. 1083(c)) is amended by adding at the  
2 end the following new paragraph:

3 “(8) 15-YEAR AMORTIZATION.—With respect to  
4 plan years beginning after December 31, 2019—

5 “(A) the shortfall amortization bases for  
6 all plan years preceding the first plan year be-  
7 ginning after December 31, 2019 (and all  
8 shortfall amortization installments determined  
9 with respect to such bases), shall be reduced to  
10 zero, and

11 “(B) subparagraphs (A) and (B) of para-  
12 graph (2) shall each be applied by substituting  
13 ‘15-plan-year period’ for ‘7-plan-year period’.”.

14 (c) EFFECTIVE DATE.—The amendments made by  
15 this section shall apply to plan years beginning after De-  
16 cember 31, 2019.

17 **SEC. 202. EXTENSION OF PENSION FUNDING STABILIZA-**  
18 **TION PERCENTAGES FOR SINGLE EMPLOYER**  
19 **PLANS.**

20 (a) AMENDMENTS TO INTERNAL REVENUE CODE OF  
21 1986.—

22 (1) IN GENERAL.—The table contained in sub-  
23 clause (II) of section 430(h)(2)(C)(iv) of the Inter-  
24 nal Revenue Code of 1986 is amended to read as fol-  
25 lows:

“If the calendar year is:	The applica- ble min- imum per- centage is:	The applica- ble max- imum per- centage is:
Any year in the period starting in 2012 and ending in 2019 .....	90%	110%
Any year in the period starting in 2020 and ending in 2025 .....	95%	105%
2026 .....	90%	110%
2027 .....	85%	115%
2028 .....	80%	120%
2029 .....	75%	125%
After 2029 .....	70%	130%.”.

1           (2) FLOOR ON 25-YEAR AVERAGES.—Subclause  
 2           (I) of section 430(h)(2)(C)(iv) of such Code is  
 3           amended by adding at the end the following: “Not-  
 4           withstanding anything in this subclause, if the aver-  
 5           age of the first, second, or third segment rate for  
 6           any 25-year period is less than 5 percent, such aver-  
 7           age shall be deemed to be 5 percent.”.

8           (b) AMENDMENTS TO EMPLOYEE RETIREMENT IN-  
 9           COME SECURITY ACT OF 1974.—

10           (1) IN GENERAL.—The table contained in sub-  
 11           clause (II) of section 303(h)(2)(C)(iv) of the Em-  
 12           ployee Retirement Income Security Act of 1974 (29  
 13           U.S.C. 1083(h)(2)(C)(iv)(II)) is amended to read as  
 14           follows:

“If the calendar year is:	The applica- ble min- imum per- centage is:	The applica- ble max- imum per- centage is:
Any year in the period starting in 2012 and ending in 2019 .....	90%	110%
Any year in the period starting in 2020 and ending in 2025 .....	95%	105%

“If the calendar year is:	The applica- ble min- imum per- centage is:	The applica- ble max- imum per- centage is:
2026 .....	90%	110%
2027 .....	85%	115%
2028 .....	80%	120%
2029 .....	75%	125%
After 2029 .....	70%	130%.”.

1           (2) CONFORMING AMENDMENTS.—

2                   (A) IN GENERAL.—Section 101(f)(2)(D) of  
3 such Act (29 U.S.C. 1021(f)(2)(D)) is amend-  
4 ed—

5                           (i) in clause (i) by striking “and the  
6 Bipartisan Budget Act of 2015” both  
7 places it appears and inserting “, the Bi-  
8 partisan Budget Act of 2015, and the  
9 Emergency Pension Plan Relief Act of  
10 2021”, and

11                           (ii) in clause (ii) by striking “2023”  
12 and inserting “2029”.

13                   (B) STATEMENTS.—The Secretary of  
14 Labor shall modify the statements required  
15 under subclauses (I) and (II) of section  
16 101(f)(2)(D)(i) of such Act to conform to the  
17 amendments made by this section.

18           (3) FLOOR ON 25-YEAR AVERAGES.—Subclause  
19 (I) of section 303(h)(2)(C)(iv) of such Act (29  
20 U.S.C. 1083(h)(2)(C)(iv)(II)) is amended by adding

1 at the end the following: “Notwithstanding anything  
2 in this subclause, if the average of the first, second,  
3 or third segment rate for any 25-year period is less  
4 than 5 percent, such average shall be deemed to be  
5 5 percent.”.

6 (c) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply with respect to plan years begin-  
8 ning after December 31, 2019.

○