

Publications

Congress takes on Funding Reform (Part 1)

PUBLISHED

10/13/2005

SERVICES

On June 30, the House Committee on Education and the Workforce approved the Pension Protection Act (H.R.2830)

Among other things, the approved legislation would completely overhaul the single-employer funding rules, make significant changes to the multiemployer funding rules, and provide some legal certainty regarding the treatment of cash balance and other hybrid plans under the age discrimination rules.

The approval of the measure is a first step along the legislative highway. The House Ways and Means Committee may mark-up the bill — possibly as part of broad Social Security and retirement reform legislation — later this summer. Staff for the Senate Finance and Health, Education, Labor, and Pensions Committees are also working on drafts of their own bills. Members in both Houses of Congress and on both sides of the aisles are committed to passing some type of pension funding reforms. Enactment of any reforms, however, may hit a roadblock as Congress debates, among other things, Social Security reform and the Supreme Court nominations.

In this article we summarize several of the major provisions of the bill as they affect single-employer plans.

[BC Congress Takes on Funding Reform Part1Download](#)