GROOM LAW GROUP

Publications Pension Reform Legislation Update 2005

PUBLISHED 11/02/2005

SERVICES

In July, the Senate Finance Committee approved the "NESTEG" pension reform legislation, including, among other things, farreaching changes affecting cash balance plans and the funding rules applicable to single-employer pension plans.

On September 8, the Senate Health, Education, Labor, and Pensions (HELP) Committee approved its own version of comprehensive funding reform and cash balance legislation, the Defined Benefit Security Act of 2005. Soon after, the leaders of the two committees, Finance Committee Chairman Charles Grassley (R-IA) and Ranking Member Max Baucus (D-MT) and HELP Committee Chairman Michael Enzi (R-WY) and Ranking Member Edward Kennedy (D-MA), negotiated a compromise pension reform bill that includes elements of the bills approved by the two committees. The compromise bill was introduced on September 28 as S. 1783, the Pension Security and Transparency Act.

Pension Reform Legislation Update 11-1-05 v2Download

Groom Law Group, Chartered | 1701 Pennsylvania Ave., N.W. | Washington, D.C. 20006-5811 | 202-857-0620 | Fax: 202-659-4503 | www.groom.com

This publication is provided for educational and informational purposes only and does not contain legal advice. The information should in no way be taken as an indication of future legal results. Accordingly, you should not act on any information provided without consulting legal counsel. To comply with U.S. Treasury Regulations, we also inform you that, unless expressly stated otherwise, any tax advice contained in this communication is not intended to be used and cannot be used by any taxpayer to avoid penalties under the Internal Revenue Code, and such advice cannot be quoted or referenced to promote or market to another party any transaction or matter addressed in this communication.