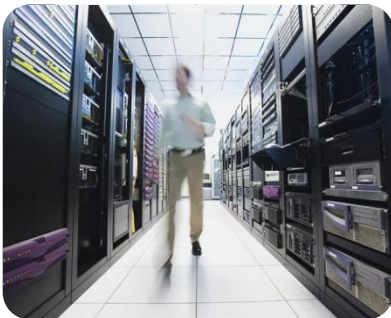


PBGC Considering Electronic Filing for Certain Multiemployer Notices

PBGC has proposed requiring that certain multiemployer notices for plans facing termination or insolvency be submitted to the agency electronically. PBGC's proposed regulation does not consider Multiemployer Pension Reform Act changes or change how notices are provided to other interested parties.

Background



There are two types of multiemployer plan terminations: mass withdrawal and plan amendment. In a mass withdrawal termination, all employers withdraw or cease to be obligated to contribute to the plan. A plan amendment termination is triggered when the plan adopts an amendment freezing all future service credit after a specified date, or an amendment that makes it no longer a covered plan.

Terminated multiemployer plans do not close out like single employer plans. Instead, they continue to pay benefits from available assets and withdrawal liability payments. Plan sponsors of a terminated multiemployer plan must file with the PBGC a notice of termination, which includes basic information to alert the agency of the possible strain the termination may have on the its multiemployer insurance program.

Furthermore, for multiemployer plans in reorganization (other than plans that have terminated by mass withdrawal), the PBGC must be notified with two specific types of notices including a Notice of Insolvency and a Notice of Insolvency Level.

PBGC Proposes Mandatory Electronic Filing

[PBGC is proposing](#) that these four multiemployer plan filings be submitted electronically:

- Notices of termination under part 4041A
- Notices of insolvency and of insolvency benefit level under part 4245
- Notices of insolvency and of insolvency benefit level under part 4281 (following mass withdrawal)
- Applications for financial assistance under part 4281 (following mass withdrawal)

PBGC believes electronic filing will simplify the filing process, lead to greater accuracy and thus diminished need for direct contact, reduce document handling costs for the agency, and reduce errors. PBGC also believes the move will improve the ability to protect personal information.

Comment. The proposed rule would not affect how notices are issued to other interested parties, such as plan participants.

More to Come for MPRA

The current proposal does not include any filings that might be needed under the Multiemployer Pension Reform Act of 2014 (MPRA) enacted in December. PBGC plans to address changes to reflect MPRA in future rulemaking.

Comments and Effective Date

PBGC proposes that the electronic filing requirement be applicable for filings made on or after January 1, 2016. Comments will be considered if submitted by June 2, 2015.

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