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Pension Protection Technical Corrections Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: Senate

Policy Area: Labor and Employment

Introduced: Aug 2, 2007

Current Status: Passed Senate with an amendment by Unanimous Consent. (text: CR S16049-16055)

Latest Action: Passed Senate with an amendment by Unanimous Consent. (text: CR S16049-16055) (Dec 19, 2007)

Official Text: <https://www.congress.gov/bill/110th-congress/senate-bill/1974>

Sponsor

Name: Sen. Kennedy, Edward M. [D-MA]

Party: Democratic • State: MA • Chamber: Senate

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Baucus, Max [D-MT]	D · MT		Aug 2, 2007
Sen. Enzi, Michael B. [R-WY]	R · WY		Aug 2, 2007
Sen. Grassley, Chuck [R-IA]	R · IA		Aug 2, 2007

Committee Activity

No committee referrals or activity are recorded for this bill.

Subjects & Policy Tags

Policy Area:

Labor and Employment

Related Bills

Bill	Relationship	Last Action
110 HR 7327	Related bill	Dec 23, 2008: Became Public Law No: 110-458.
110 HR 6382	Related bill	Aug 1, 2008: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.
110 HR 3361	Identical bill	Mar 31, 2008: Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Calendar No. 621.

Pension Protection Technical Corrections Act of 2007 - Amends the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code, as amended by the Pension Protection Act of 2006, to make changes to rules governing defined benefit and defined contribution pension plans.

(Sec. 2) Modifies rules relating to increases in pension plan benefits while a waiver or amortization extension is in effect or with respect to retroactive amendments to such plans.

Revises the definition of "target normal cost" with respect to increases and decreases in such costs.

Requires the Secretary of the Treasury to prescribe rules for quarterly contributions to pension plans with a shortfall in 2008.

(Sec. 3) Revises the criteria for use of the shortfall funding method for multiemployer defined benefit plans.

Requires the Secretary of the Treasury, in consultation with the Secretary of Labor, to establish criteria for required notices relating to multiemployer plans in endangered or critical status.

Revises: (1) criteria for implementation and enforcement of a multiemployer plan default schedule; (2) the definition of plan sponsor for purposes of multiemployer plan funding rules; and (3) the method for calculating the excise tax on trustees of multiemployer plans for failure to adopt a timely rehabilitation plan.

(Sec. 4) Extends until 2009 the temporary interest rate for pension plan funding.

(Sec. 5) Limits the coverage of the missing participant rules to qualified plans that did not provide for employer contributions.

(Sec. 6) Revises requirements relating to: (1) annual funding notices for single and multiemployer defined benefit plans; (2) termination information for pension plan participants; (3) periodic pension benefit statements; and (4) notices to pension plan participants or beneficiaries of blackout periods (i.e, restrictions on plan operations, including investment changes).

(Sec. 7) Modifies pension plan requirements relating to investment advice, prohibited transactions, and fiduciary rules.

(Sec. 8) Provides that failure to meet pension plan preservation of capital requirements constitutes a violation of ERISA age discrimination rules.

(Sec. 9) Modifies rules relating to: (1) the deduction limit for single-employer pension plans; (2) deductions for employer contributions to one or more defined contribution plans; (3) rollovers from retirement plans to Roth individual retirement accounts (IRAs); (4) rollovers by nonspouse beneficiaries of retirement plans; (5) distributions from public pension plans for health and long-term care insurance for public safety officers; and (6) survivor annuity plans of special trial judges of the U.S. Tax Court.

Exempts assets transfers from health accounts to maintain a pension plan's funded status from the excise tax on reversions.

(Sec. 10) Revises the definition of "one-participant retirement plan" for purposes of ERISA diversification and participation

requirements.

Expands rules allowing automatic contributions to employer pension plans.

Requires the administrator of a combined pension plan (consisting of a defined benefit plan and a qualified cash or deferred arrangement) to treat such plans separately upon termination.

(Sec. 11) Provides that former spouses shall be entitled to survivor benefits under the Railroad Retirement Act if: (1) the employee completed 10 years of service in the railroad industry (or five years of service after December 31, 1995); (2) the spouse or former spouse has attained age 62; and (3) the employee attains age 62 (or if deceased, would have attained age 62). Makes such provision effective for payments due after August 2007.

(Sec. 12) Prohibits states from reducing unemployment compensation by the amount of pension rollovers.

(Sec. 13) Modifies the formula for determining inclusion in gross income of distributions from individual retirement accounts (IRAs) for charitable purposes.

(Sec. 14) Provides that the value of assets for any ERISA plan under the averaging method shall be adjusted for contributions, distributions, and expected earnings as determined by the Secretary of the Treasury.

Provides for an alternative method of meeting the definition of qualified optional survivor annuity.

(Sec. 15) Makes the amendments made by this Act effective as if originally included in the Pension Protection Act of 2006.

## Actions Timeline

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- **Dec 19, 2007:** Measure laid before Senate by unanimous consent. (consideration: CR S16048-16055)
- **Dec 19, 2007:** Passed/agreed to in Senate: Passed Senate with an amendment by Unanimous Consent.(text: CR S16049-16055)
- **Dec 19, 2007:** Passed Senate with an amendment by Unanimous Consent. (text: CR S16049-16055)
- **Aug 3, 2007:** Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 333.
- **Aug 2, 2007:** Introduced in Senate
- **Aug 2, 2007:** Introduced in the Senate. Read the first time. Placed on Senate Legislative Calendar under Read the First Time.