

109TH CONGRESS
1ST SESSION

H. R. 2327

To impose a 6-month moratorium on terminations of certain plans instituted under section 4042 of the Employee Retirement Income Security Act of 1974 in cases in which reorganization of contributing sponsors is sought in bankruptcy or insolvency proceedings.

IN THE HOUSE OF REPRESENTATIVES

MAY 12, 2005

Mr. GEORGE MILLER of California (for himself and Ms. SCHAKOWSKY) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To impose a 6-month moratorium on terminations of certain plans instituted under section 4042 of the Employee Retirement Income Security Act of 1974 in cases in which reorganization of contributing sponsors is sought in bankruptcy or insolvency proceedings.

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. 6-MONTH MORATORIUM ON CERTAIN PLAN**
4 **TERMINATIONS COMMENCED BY THE PEN-**
5 **SION BENEFIT GUARANTY CORPORATION.**

6 (a) IN GENERAL.—In any case in which any person
7 who is the contributing sponsor of a single-employer plan

1 has filed or has had filed against such person a petition
2 in a case under title 11, United States Code, or under
3 any similar law of a State or political subdivision of a
4 State seeking reorganization (or in such a case in which
5 liquidation is sought which has been converted to a case
6 in which reorganization is sought), if this section applies
7 to such plan, during the 6-month period beginning on May
8 1, 2005, the Pension Benefit Guaranty Corporation may
9 not commence proceedings under section 4042 of the Em-
10 ployee Retirement Income Security Act of 1974 to termi-
11 nate such plan or execute termination or trustee agree-
12 ments with respect to such plan under such section, and
13 any trustee appointed under such section may not termi-
14 nate the plan.

15 (b) APPLICATION TO PLANS.—This section applies to
16 a single-employer plan referred to in subsection (a) if the
17 amount of unfunded benefit liabilities (as defined in sec-
18 tion 4001(a)(18) of such Act) under the plan (determined
19 as of the proposed termination date) is at least \$1 billion.

20 (c) RESTORATION.—In any case in which, during the
21 period described in subsection (a) and before the date of
22 the enactment of this Act, the Pension Benefit Guaranty
23 Corporation has commenced termination proceedings or
24 executed a termination or trustee agreement subject to the
25 moratorium provided under subsection (a) with respect to

1 any single-employer plan, or a trustee appointed under
2 section 4042 of the Employee Retirement Income Security
3 Act of 1974 subject to such moratorium with respect to
4 such a plan has terminated such plan, the Corporation or
5 trustee shall cease any activities undertaken to terminate
6 the plan and shall take whatever action is necessary and
7 within the power thereof to restore the plan to its status
8 prior to the commencement of such proceedings.

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