H.R.

To provide an orderly transition to new requirements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. Pomeroy introduced the following bill; which was referred to the Committee on ____________

A BILL

To provide an orderly transition to new requirements, and for other purposes.

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. DELAY OF EFFECTIVE DATES FOR SINGLE-EMP- 
4 
5 (a) IN GENERAL.—
6 (1) DELAYED EFFECTIVE DATES.—The sections 
7 of the Pension Protection Act of 2006, the Internal 
8 Revenue Code of 1986, and the Employee Retire-
ment Income Security Act of 1974 specified in paragraph (3) are amended—

(A) by striking "2007" and inserting, "the applicable funding pre-effective date year (as defined in section 1305 of the Pension Protection Act of 2006),"

(B) by striking "2008" and inserting "the applicable funding effective date year (as defined in section 1305 of the Pension Protection Act of 2006),"

(C) by striking "2009" and inserting "the calendar year after the applicable funding effective date year (as defined in section 1305 of the Pension Protection Act of 2006),"

(D) by striking "2010" and inserting "the calendar year that is two years after the applicable effective date year (as defined in section 1305 of the Pension Protection Act of 2006),"

(E) by striking "2011" and inserting "the calendar year that is three years after the applicable funding effective date year (as defined in section 1305 of the Pension Protection Act of 2006),", and

(F) by striking "2012" and inserting "the calendar year that is four years after the appli-
cable funding effective year (as defined in section 1305 of the Pension Protection Act of 2006)."

(2) APPLICABLE FUNDING EFFECTIVE DATE YEARS.—Title XIII of the Pension Protection Act of 2006 is amended by adding at the end the following new section:

"SEC. 1305. APPLICABLE FUNDING EFFECTIVE DATES.

(a) IN GENERAL.—

"(1) For purposes of this Act, except as otherwise provided in this section, the term ‘applicable funding pre-effective date year’ means 2008.

"(2) For purposes of this Act, the term ‘applicable funding effective date year’ means the calendar year immediately following the applicable funding pre-effective date year.

(b) EXCEPTION.—Subsection (a)(1) shall apply only if final regulations are issued by June 30, 2008, with respect to sections 206(g), 303(f), 303(g)(3), 303(h)(2), 303(h)(3), 303(i)(4)(A)(ii), and 303(j)(3)(A) of the Employee Retirement Income Security Act of 1974 and sections 430(f), 430(g)(3), 430(h)(2), 430(h)(3), 430(i)(4)(A)(ii), 430(j)(3)(A), and 436 of the Internal Revenue Code of 1986. If final regulations under all such sections are not issued by June 30, 2008, for purposes
of this Act, the term 'applicable funding pre-effective date year' shall mean the first calendar year with respect to which all such final regulations are issued by June 30 of such year.

"(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act."

(3) APPLICABLE SECTIONS.—

(A) PENSION PROTECTION ACT OF 2006.—The amendments made in paragraph (1) shall apply to the following sections of the Pension Protection Act of 2006: 101(d), 102(e), 103(e), 104(b), 105(b), 106(b), 107(e), 111(b), 112(b), 113(b), 115(a), 115(b)(3), 115(e)(2), 302(e), 401(a)(2), 402(b)(1), 505(e), and 802(b).


(C) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—The amendments made in paragraph (1) shall apply to the following sections of the Employee Retirement Income
Security Act of 1974: 205(g)(3), 206(g)(9),
206(g)(10), 303(e)(5), 303(f)(1)(B)(ii)(I),
303(h)(2)(G), 303(i)(4)(B), 303(i)(5)(C), and
4041(b)(5)(C)(i).

(b) EXTENSION OF REPLACEMENT OF 30-YEAR
TREASURY RATES.—

(1) AMENDMENTS OF ERISA.—

(A) DETERMINATION OF RANGE.—Sub-
clause (II) of section 302(b)(5)(B)(ii) of the
Employee Retirement Income Security Act of
1974 is amended—

(i) by striking “January 1, 2008” and
inserting “January 1 of the applicable
funding effective date year (as defined in
section 1305 of the Pension Protection Act
of 2006)”, and

(ii) in the heading, by striking “FOR

(B) DETERMINATION OF CURRENT LIABILITY.—Subclause (IV) of section 302(d)(7)(C)(i)
of such Act is amended—

(i) by striking “in 2004, 2005, 2006,
or 2007” and inserting “after 2003 and
before the applicable funding effective date
year (as defined in section 1305 of the Pension Protection Act of 2006)”, and
(C) PBGC PREMIUM RATE.—Subclause (V) of section 4006(a)(3)(E)(iii) of such Act is amended by striking “January 1, 2008” and inserting “January 1 of the applicable funding effective date year (as defined in section 1305 of the Pension Protection Act of 2006)”.
(2) AMENDMENTS OF INTERNAL REVENUE CODE.—
(A) DETERMINATION OF RANGE.—Subclause (II) of section 412(b)(5)(B)(ii) of the Internal Revenue Code of 1986 is amended—
(i) by striking “January 1, 2003” and inserting “January 1 of the applicable funding effective date year (as defined in section 1305 of the Pension Protection Act of 2006)”, and
(B) DETERMINATION OF CURRENT LIABILITY.—Subclause (IV) of section 412(1)(7)(C)(i) of such Code is amended—
(i) by striking "in 2004, 2005, 2006, and 2007" and inserting "after 2003 and before the applicable funding effective date year (as defined in section 1305 of the Pension Protection Act of 2006)", and


(3) PLAN AMENDMENTS.—Clause (ii) of section 101(c)(2)(A) of the Pension Funding Equity Act of 2004 is amended by striking "January 1, 2008" and inserting "January 1 of the applicable funding effective date year (as defined in section 1305 of the Pension Protection Act of 2006)".

(e) CONFORMING AMENDMENTS REGARDING TRANSITION RULE.—

(1) IN GENERAL.—Paragraph (1) of section 115(d) of the Pension Protection Act of 2006 is amended to read as follows:

"(1) IN GENERAL.—Section 769(c)(3) of the Retirement Protection Act of 1994, as added by section 201 of the Pension Funding Equity Act of 2004, is amended by striking ‘in 2004 and 2005’ and inserting ‘after 2003 and before the applicable funding effective date year (as defined in section 1305 of the Pension Protection Act of 2006)’.".
(2) **HEADING.**—The heading of subsection (d) of section 115 of such Act is amended by striking “FOR 2006 AND 2007”.

(d) **CONFORMING AMENDMENTS REGARDING FUNDING NOTICE.**—

(1) **IN GENERAL.**—Paragraph (1) of section 501(d) of the Pension Protection Act of 2006 is amended to read as follows:

“(1) **IN GENERAL.**—Except as provided in paragraph (2), the amendments made by this section shall apply to plan years beginning after December 31 of the applicable funding pre-effective date year (as defined in section 1305 of this Act), or, in the case of a multiemployer plan, plan years beginning after December 31, 2007.”.

(2) **REPEAL OF NOTICE.**—Subsection (d) of section 501 of such Act is amended by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

“(2) **REPEAL OF NOTICE.**—The amendment made by subsection (b) shall apply to plan years beginning after December 31, 2006.”.

(3) **TRANSITION RULE.**—Paragraph (3) of section 501(d) of such Act, as redesignated, is amended—
(A) by adding "or, in the case of a single-
employer plan, before January 1 of the applica-
ble funding effective date year (as defined in
section 1305 of this Act)" after "2008,",
(B) by striking "2006" and inserting
"2006 or, in the case of a single-employer plan,
before the applicable funding pre-effective date
year (as defined in section 1305 of this Act)",
(C) by striking "2007" and inserting "the
applicable funding pre-effective date year (as
defined in section 1305 of this Act)",
(D) by striking "or funded percentage" the
second place it appears,
(E) by striking "may provide." and insert-
ing "may provide, and",
(F) by adding at the end the following:
"(C) in the case of a plan year beginning
in 2007, the funded percentage as determined
using such methods of estimation as the Sec-
retary of the Treasury may provide."
(e) CONFORMING AMENDMENTS REGARDING ADDI-
TIONAL ANNUAL REPORTING REQUIREMENTS.—Sub-
section (f) of section 503 of the Pension Protection Act
of 2006 is amended to read as follows:
"(f) EFFECTIVE DATE.—
“(1) IN GENERAL.—Except as otherwise provided in paragraph (2), the amendments made by this section shall apply to plan years beginning after the applicable funding pre-effective date year (as defined in section 1305 of this Act).

“(2) MULTIEMPLOYER PLANS.—With respect to multiemployer plans, the amendments made by this section shall apply to plan years beginning after December 31, 2007.”.

(f) CONFORMING AMENDMENTS REGARDING PLAN AMENDMENTS.—

(1) IN GENERAL.—Subparagraph (B) of section 1107(b)(1) of the Pension Protection Act of 2006 is amended by striking “January 1, 2009” and inserting “January 1 of the calendar year after the applicable funding effective date year (as defined in section 1305 of this Act)”.

(2) GOVERNMENTAL PLANS.—Paragraph (1) of section 1107(b) of such Act is amended to read as follows:

“(1) In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), subparagraph (B) shall be applied as if it read: ‘on or before the last day of the first plan year beginning on or after January 1 of the calendar year
that is three years after the applicable funding effective date year (as defined in section 1305 of this Act).”.

(g) CONFORMING AMENDMENTS REGARDING DEDUCTION LIMITS.—

(1) IN GENERAL.—Paragraph (1) of section 801(f) of the Pension Protection Act of 2006, as redesignated by paragraph (4), is amended—

(A) by striking “paragraph (2)” and inserting “paragraphs (2) and (3)”, and

(B) by striking “December 31, 2007” and inserting “December 31 of the applicable pre-effective date year (as defined in section 1305 of this Act)”.

(2) MULTIEMPLOYER PLANS.—Subsection (f) of section 801 of such Act, as redesignated by paragraph (4), is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

“(2) MULTIEMPLOYER PLANS.—Except as provided in paragraph (3), with respect to multiemployer plans, the amendments made by this section shall apply to years beginning after December 31, 2007.”.
(3) SPECIAL RULE.—Paragraph (3) of section 801(d) of such Act, as redesignated, is amended by adding at the end the following: "The amendments made by subsection (e) shall apply to years beginning after December 31, 2007, and before January 1 of the applicable funding effective date year (as defined in section 1305 of this Act)."

(4) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Subparagraph (D) of section 404(a)(1) of the Internal Revenue Code of 1986 (as amended by the Pension Protection Act of 2006 other than section 802 of such Act) is amended by adding at the end the following:

"(v) MULTIEMPLOYER PLANS.—In the case of a defined benefit plan which is a multiemployer plan, except as provided in regulations, the maximum amount deductible under the limitations of this paragraph shall not be less than the excess (if any) of—

"(I) 140 percent of the current liability of the plan determined under section 431(c)(6)(C), over
“(II) the value of the plan’s assets determined under section 431(c)(2).”.

(B) SINGLE-EMPLOYER PLANS.—Subparagraph (D) of section 404(a)(1) of such Code is amended—

(i) by inserting after “defined benefit plan” in clause (i) the following “(other than a multiemployer plan),

(ii) by striking “(140 percent in the case of a multiemployer plan)” in clause (i), and

(iii) by striking “clause (i)” in clause (iv) and inserting “clauses (i) and (v)”.

(h) CONFORMING AMENDMENT REGARDING COMMERCIAL AIRLINES.—Paragraph (2) of section 402(a) of the Pension Protection Act of 2006 is amended by adding at the end the following: “In the case of an election under this paragraph, such sections shall apply with respect to such plan sponsor based on the effective date provisions in effect immediately before the enactment of section 1305 of this Act.”.
SEC. 2. EFFECTIVE DATE.

The amendments made by this Act shall take effect as if included in the enactment of the Pension Protection Act of 2006.
U.S. HOUSE OF REPRESENTATIVES

110th Congress
1st Session

October 17, 2007

Pursuant to Clause 4 of rule XXII of the rules of the House of Representatives, the following sponsors are hereby added to

H.R. ________________
H. Res. ________________

1. Rep. Eric Cantor
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Member of Congress

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