



(Original Signature of Member)

110TH CONGRESS  
2D SESSION

## H. R. 7327

To make technical corrections related to the Pension Protection Act of 2006,  
and for other purposes.

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### IN THE HOUSE OF REPRESENTATIVES

Mr. RANGEL (for himself, Mr. McCRERY, Mr. GEORGE MILLER of California,  
and Mr. McKEON) introduced the following bill; which was referred to  
the Committee on \_\_\_\_\_

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## A BILL

To make technical corrections related to the Pension  
Protection Act of 2006, 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. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Worker, Retiree, and Employer Recovery Act of 2008”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—TECHNICAL CORRECTIONS RELATED TO THE PENSION  
PROTECTION ACT OF 2006

Sec. 100. References in title.

Subtitle A—Technical Corrections Related to the Pension Protection Act of  
2006

- Sec. 101. Amendments related to Title I.
- Sec. 102. Amendments related to title II.
- Sec. 103. Amendments related to title III.
- Sec. 104. Amendments related to title IV.
- Sec. 105. Amendments related to title V.
- Sec. 106. Amendments related to title VI.
- Sec. 107. Amendments related to title VII.
- Sec. 108. Amendments related to title VIII.
- Sec. 109. Amendments related to title IX.
- Sec. 110. Amendments related to title X.
- Sec. 111. Amendments related to title XI.
- Sec. 112. Effective date.

## Subtitle B—Other Provisions

- Sec. 121. Amendments Related to Sections 102 and 112 of the Pension Protection Act of 2006.
- Sec. 122. Modification of interest rate assumption required with respect to certain small employer plans.
- Sec. 123. Determination of market rate of return for governmental plans.
- Sec. 124. Treatment of certain reimbursements from governmental plans for medical care.
- Sec. 125. Rollover of amounts received in airline carrier bankruptcy to Roth IRAs.
- Sec. 126. Determination of asset value for special airline funding rules.
- Sec. 127. Modification of penalty for failure to file partnership returns.
- Sec. 128. Modification of penalty for failure to file S corporation returns.

## TITLE II—PENSION PROVISIONS RELATING TO ECONOMIC CRISIS

- Sec. 201. Temporary waiver of required minimum distribution rules for certain retirement plans and accounts.
- Sec. 202. Transition rule clarification.
- Sec. 203. Temporary modification of application of limitation on benefit accruals.
- Sec. 204. Temporary delay of designation of multiemployer plans as in endangered or critical status.
- Sec. 205. Temporary extension of the funding improvement and rehabilitation periods for multiemployer pension plans in critical and endangered status for 2008 or 2009.

1 **TITLE I—TECHNICAL CORREC-**  
2 **TIONS RELATED TO THE PEN-**  
3 **SION PROTECTION ACT OF**  
4 **2006**

5 **SEC. 100. REFERENCES IN TITLE.**

6 For purposes of this title:

7 (1) AMENDMENT OF 1986 CODE.—The term  
8 “1986 Code” means the Internal Revenue Code of  
9 1986.

10 (2) AMENDMENT OF ERISA.—The term  
11 “ERISA” means the Employee Retirement Income  
12 Security Act of 1974.

13 (3) 2006 ACT.—The term “2006 Act” means  
14 the Pension Protection Act of 2006.

15 **Subtitle A—Technical Corrections**  
16 **Related to the Pension Protec-**  
17 **tion Act of 2006**

18 **SEC. 101. AMENDMENTS RELATED TO TITLE I.**

19 (a) AMENDMENTS RELATED TO SECTIONS 101 AND  
20 111.—

21 (1) AMENDMENTS TO ERISA.—

22 (A) Clause (i) of section 302(c)(1)(A) of  
23 ERISA is amended by striking “the plan is”  
24 and inserting “the plan are”.

1 (B) Section 302(c)(7) of ERISA is amend-  
2 ed by inserting “which reduces the accrued ben-  
3 efit of any participant” after “subsection  
4 (d)(2)” in subparagraph (A).

5 (C) Section 302(d)(1) of ERISA is amend-  
6 ed by striking “, the valuation date,”.

7 (2) AMENDMENTS TO 1986 CODE.—

8 (A) Clause (i) of section 412(c)(1)(A) of  
9 the 1986 Code is amended by striking “the plan  
10 is” and inserting “the plan are”.

11 (B) Section 412(c)(7) of the 1986 Code is  
12 amended by inserting “which reduces the ac-  
13 crued benefit of any participant” after “sub-  
14 section (d)(2)” in subparagraph (A).

15 (C) Section 412(d)(1) of the 1986 Code is  
16 amended by striking “, the valuation date,”.

17 (b) AMENDMENTS RELATED TO SECTIONS 102 AND  
18 112.—

19 (1) AMENDMENTS TO ERISA.—

20 (A) Section 303(b) of ERISA is amended  
21 to read as follows:

22 “(b) TARGET NORMAL COST.—For purposes of this  
23 section:

24 “(1) IN GENERAL.—Except as provided in sub-  
25 section (i)(2) with respect to plans in at-risk status,

1 the term ‘target normal cost’ means, for any plan  
2 year, the excess of—

3 “(A) the sum of—

4 “(i) the present value of all benefits  
5 which are expected to accrue or to be  
6 earned under the plan during the plan  
7 year, plus

8 “(ii) the amount of plan-related ex-  
9 penses expected to be paid from plan as-  
10 sets during the plan year, over

11 “(B) the amount of mandatory employee  
12 contributions expected to be made during the  
13 plan year.

14 “(2) SPECIAL RULE FOR INCREASE IN COM-  
15 PENSATION.—For purposes of this subsection, if any  
16 benefit attributable to services performed in a pre-  
17 ceding plan year is increased by reason of any in-  
18 crease in compensation during the current plan year,  
19 the increase in such benefit shall be treated as hav-  
20 ing accrued during the current plan year.”.

21 (B) Section 303(c)(5)(B)(iii) of ERISA is  
22 amended by inserting “beginning” before “after  
23 2008”.

1 (C) Section 303(c)(5)(B)(iv)(II) of ERISA  
2 is amended by inserting “for such year” after  
3 “beginning in 2007”.

4 (D) Section 303(f)(4)(A) of ERISA is  
5 amended by striking “paragraph (2)” and in-  
6 serting “paragraph (3)”.

7 (E) Section 303(h)(2)(F) of ERISA is  
8 amended—

9 (i) by striking “section  
10 205(g)(3)(B)(iii)(I) for such month” and  
11 inserting “section 205(g)(3)(B)(iii)(I) for  
12 such month”, and

13 (ii) by striking “subparagraph (B)”  
14 and inserting “subparagraph (C)”.

15 (F) Section 303(i) of ERISA is amended—

16 (i) in paragraph (2)—

17 (I) by striking subparagraph (A)  
18 and inserting the following new sub-  
19 paragraph:

20 “(A) the excess of—

21 “(i) the sum of—

22 “(I) the present value of all bene-  
23 fits which are expected to accrue or to  
24 be earned under the plan during the  
25 plan year, determined using the addi-

1 tional actuarial assumptions described  
2 in paragraph (1)(B), plus

3 “(II) the amount of plan-related  
4 expenses expected to be paid from  
5 plan assets during the plan year, over

6 “(ii) the amount of mandatory em-  
7 ployee contributions expected to be made  
8 during the plan year, plus”, and

9 (II) in subparagraph (B), by  
10 striking “the target normal cost (de-  
11 termined without regard to this para-  
12 graph) of the plan for the plan year”  
13 and inserting “the amount determined  
14 under subsection (b)(1)(A)(i) with re-  
15 spect to the plan for the plan year”,  
16 and

17 (ii) by striking “subparagraph (A)(ii)”  
18 in the last sentence of paragraph (4)(B)  
19 and inserting “subparagraph (A)”.

20 (G) Section 303(j)(3) of ERISA—

21 (i) is amended by adding at the end of  
22 subparagraph (A) the following new sen-  
23 tence: “In the case of plan years beginning  
24 in 2008, the funding shortfall for the pre-  
25 ceding plan year may be determined using

1 such methods of estimation as the Sec-  
2 retary of the Treasury may provide.”,

3 (ii) by adding at the end of subpara-  
4 graph (E) the following new clause:

5 “(iii) PLAN WITH ALTERNATE VALU-  
6 ATION DATE.—The Secretary of the Treas-  
7 ury shall prescribe regulations for the ap-  
8 plication of this paragraph in the case of  
9 a plan which has a valuation date other  
10 than the first day of the plan year.”, and

11 (iii) by striking “AND SHORT YEARS”  
12 in the heading of subparagraph (E) and  
13 inserting “, SHORT YEARS, AND YEARS  
14 WITH ALTERNATE VALUATION DATE”.

15 (H) Section 303(k)(6)(B) of ERISA is  
16 amended by striking “, except” and all that fol-  
17 lows and inserting a period.

18 (2) AMENDMENTS TO 1986 CODE.—

19 (A) Section 430(b) of the 1986 Code is  
20 amended to read as follows:

21 “(b) TARGET NORMAL COST.—For purposes of this  
22 section:

23 “(1) IN GENERAL.—Except as provided in sub-  
24 section (i)(2) with respect to plans in at-risk status,



1 the term ‘target normal cost’ means, for any plan  
2 year, the excess of—

3 “(A) the sum of—

4 “(i) the present value of all benefits  
5 which are expected to accrue or to be  
6 earned under the plan during the plan  
7 year, plus

8 “(ii) the amount of plan-related ex-  
9 penses expected to be paid from plan as-  
10 sets during the plan year, over

11 “(B) the amount of mandatory employee  
12 contributions expected to be made during the  
13 plan year.

14 “(2) SPECIAL RULE FOR INCREASE IN COM-  
15 PENSATION.—For purposes of this subsection, if any  
16 benefit attributable to services performed in a pre-  
17 ceding plan year is increased by reason of any in-  
18 crease in compensation during the current plan year,  
19 the increase in such benefit shall be treated as hav-  
20 ing accrued during the current plan year.”.

21 (B) Section 430(c)(5)(B)(iii) of the 1986  
22 Code is amended by inserting “beginning” be-  
23 fore “after 2008”.

1 (C) Section 430(e)(5)(B)(iv)(II) of the  
2 1986 Code is amended by inserting “for such  
3 year” after “beginning in 2007”).

4 (D) Section 430(f) of the 1986 Code is  
5 amended—

6 (i) by striking “as of the first day of  
7 the plan year” the second place it appears  
8 in the first sentence of paragraph (3)(A),

9 (ii) by striking “paragraph (2)” in  
10 paragraph (4)(A) and inserting “para-  
11 graph (3)”,

12 (iii) by striking “paragraph (1), (2),  
13 or (4) of section 206(g)” in paragraph  
14 (6)(B)(iii) and inserting “subsection (b),  
15 (c), or (e) of section 436”,

16 (iv) by striking “the sum of” in para-  
17 graph (6)(C), and

18 (v) by striking “of the Treasury” in  
19 paragraph (8).

20 (E) Section 430(h)(2) of the 1986 Code is  
21 amended—

22 (i) by inserting “and target normal  
23 cost” after “funding target” in subpara-  
24 graph (B),

1 (ii) by striking “liabilities” and insert-  
2 ing “benefits” in subparagraph (B),

3 (iii) by striking “section  
4 417(e)(3)(D)(i) for such month” in sub-  
5 paragraph (F) and inserting “section  
6 417(e)(3)(D)(i) for such month”, and

7 (iv) by striking “subparagraph (B)”  
8 in subparagraph (F) and inserting “sub-  
9 paragraph (C)”.

10 (F) Section 430(i) of the 1986 Code is  
11 amended—

12 (i) in paragraph (2)—

13 (I) by striking subparagraph (A)  
14 and inserting the following new sub-  
15 paragraph:

16 “(A) the excess of—

17 “(i) the sum of—

18 “(I) the present value of all bene-  
19 fits which are expected to accrue or to  
20 be earned under the plan during the  
21 plan year, determined using the addi-  
22 tional actuarial assumptions described  
23 in paragraph (1)(B), plus

1                   “(II) the amount of plan-related  
2                   expenses expected to be paid from  
3                   plan assets during the plan year, over

4                   “(ii) the amount of mandatory em-  
5                   ployee contributions expected to be made  
6                   during the plan year, plus”, and

7                   (II) in subparagraph (B), by  
8                   striking “the target normal cost (de-  
9                   termined without regard to this para-  
10                  graph) of the plan for the plan year”  
11                  and inserting “the amount determined  
12                  under subsection (b)(1)(A)(i) with re-  
13                  spect to the plan for the plan year”,  
14                  and

15                  (ii) by striking “subparagraph (A)(ii)”  
16                  in the last sentence of paragraph (4)(B)  
17                  and inserting “subparagraph (A)”.

18                  (G) Section 430(j)(3) of the 1986 Code is  
19                  amended—

20                  (i) by adding at the end of subpara-  
21                  graph (A) the following new sentence: “In  
22                  the case of plan years beginning in 2008,  
23                  the funding shortfall for the preceding plan  
24                  year may be determined using such meth-

1           ods of estimation as the Secretary may  
2           provide.”,

3           (ii) by striking “section 302(c)” in  
4           subparagraph (D)(ii)(II) and inserting  
5           “section 412(c)”,

6           (iii) by adding at the end of subpara-  
7           graph (E) the following new clause:

8           “(iii) PLAN WITH ALTERNATE VALU-  
9           ATION DATE.—The Secretary shall pre-  
10          scribe regulations for the application of  
11          this paragraph in the case of a plan which  
12          has a valuation date other than the first  
13          day of the plan year.”, and

14          (iv) by striking “AND SHORT YEARS”  
15          in the heading of subparagraph (E) and  
16          inserting “, SHORT YEARS, AND YEARS  
17          WITH ALTERNATE VALUATION DATE”.

18          (H) Section 430(k) of the 1986 Code is  
19          amended—

20               (i) by inserting “(as provided under  
21               paragraph (2))” after “applies” in para-  
22               graph (1), and

23               (ii) by striking “, except” and all that  
24               follows in paragraph (6)(B) and inserting  
25               a period.

1 (3) EFFECTIVE DATES.—

2 (A) IN GENERAL.—Except as provided in  
3 subparagraph (B), the amendments made by  
4 paragraphs (1)(A), (1)(F)(i), (2)(A), and  
5 (2)(F)(i) shall apply to plan years beginning  
6 after December 31, 2008.

7 (B) ELECTION FOR EARLIER APPLICA-  
8 TION.—The amendments made by such para-  
9 graphs shall apply to a plan for the first plan  
10 year beginning after December 31, 2007, if the  
11 plan sponsor makes the election under this sub-  
12 paragraph. An election under this subparagraph  
13 shall be made at such time and in such manner  
14 as the Secretary of the Treasury or the Sec-  
15 retary's delegate may prescribe, and, once  
16 made, may be revoked only with the consent of  
17 the Secretary.

18 (c) AMENDMENTS RELATED TO SECTIONS 103 AND  
19 113.—

20 (1) AMENDMENTS TO ERISA.—

21 (A) Section 101(j) of ERISA is amended—  
22 (i) in paragraph (2), by striking “sec-  
23 tion 206(g)(4)(B)” and inserting “section  
24 206(g)(4)(A)”; and

1 (ii) by adding at the end the fol-  
2 lowing: “The Secretary of the Treasury, in  
3 consultation with the Secretary, shall have  
4 the authority to prescribe rules applicable  
5 to the notices required under this sub-  
6 section.”.

7 (B) Section 206(g)(1)(B)(ii) of ERISA is  
8 amended by striking “a funding” and inserting  
9 “an adjusted funding”.

10 (C) The heading for section 206(g)(1)(C)  
11 of ERISA is amended by inserting “BENEFIT”  
12 after “EVENT”.

13 (D) Section 206(g)(3)(E) of ERISA is  
14 amended by adding at the end the following  
15 new flush sentence:  
16 “Such term shall not include the payment of a  
17 benefit which under section 203(e) may be im-  
18 mediately distributed without the consent of the  
19 participant.”.

20 (E) Section 206(g)(5)(A)(iv) of ERISA is  
21 amended by inserting “adjusted” before “fund-  
22 ing”.

23 (F) Section 206(g)(9)(C) of ERISA is  
24 amended—

1 (i) by striking “without regard to this  
2 subparagraph and” in clause (i), and

3 (ii) in clause (iii)—

4 (I) by striking “without regard to  
5 this subparagraph” and inserting  
6 “without regard to the reduction in  
7 the value of assets under section  
8 303(f)(4)”, and

9 (II) by inserting “beginning” be-  
10 fore “after” each place it appears.

11 (G) Section 206(g) of ERISA is amended  
12 by redesignating paragraph (10) as paragraph  
13 (11) and by inserting after paragraph (9) the  
14 following new paragraph:

15 “(10) SECRETARIAL AUTHORITY FOR PLANS  
16 WITH ALTERNATE VALUATION DATE.—In the case of  
17 a plan which has designated a valuation date other  
18 than the first day of the plan year, the Secretary of  
19 the Treasury may prescribe rules for the application  
20 of this subsection which are necessary to reflect the  
21 alternate valuation date.”.

22 (H) Section 502(e)(4) of ERISA is amend-  
23 ed by striking “by any person” and all that fol-  
24 lows through the period and inserting “by any



1 person of subsection (j), (k), or (l) of section  
2 101 or section 514(e)(3).”.

3 (2) AMENDMENTS TO 1986 CODE.—

4 (A) Section 436(b)(2) of the 1986 Code is  
5 amended—

6 (i) by striking “section 303” and in-  
7 sserting “section 430” in the matter pre-  
8 ceding subparagraph (A), and

9 (ii) by striking “a funding” and in-  
10 sserting “an adjusted funding” in subpara-  
11 graph (B).

12 (B) Section 436(b)(3) of the 1986 Code is  
13 amended—

14 (i) by inserting “BENEFIT” after  
15 “EVENT” in the heading, and

16 (ii) by striking “any event” in sub-  
17 paragraph (B) and inserting “an event”.

18 (C) Section 436(d)(5) of the 1986 Code is  
19 amended by adding at the end the following  
20 new flush sentence:

21 “Such term shall not include the payment of a ben-  
22 efit which under section 411(a)(11) may be imme-  
23 diately distributed without the consent of the partici-  
24 pant.”.

1 (D) Section 436(f) of the 1986 Code is  
2 amended—

3 (i) by inserting “adjusted” before  
4 “funding” in paragraph (1)(D), and

5 (ii) by striking “prefunding balance  
6 under section 430(f) or funding standard  
7 carryover balance” in paragraph (2) and  
8 inserting “prefunding balance or funding  
9 standard carryover balance under section  
10 430(f)”.

11 (E) Section 436(j)(3) of the 1986 Code is  
12 amended—

13 (i) in subparagraph (A)—

14 (I) by striking “without regard to  
15 this paragraph and”,

16 (II) by striking “section  
17 430(f)(4)(A)” and inserting “section  
18 430(f)(4)”, and

19 (III) by striking “paragraph (1)”  
20 and inserting “paragraphs (1) and  
21 (2)”, and

22 (ii) in subparagraph (C)—

23 (I) by striking “without regard to  
24 this paragraph” and inserting “with-  
25 out regard to the reduction in the

1 value of assets under section  
2 430(f)(4)”, and

3 (II) by inserting “beginning” be-  
4 fore “after” each place it appears.

5 (F) Section 436 of the 1986 Code is  
6 amended by redesignating subsection (k) as  
7 subsection (m) and by inserting after subsection  
8 (j) the following new subsections:

9 “(k) SECRETARIAL AUTHORITY FOR PLANS WITH  
10 ALTERNATE VALUATION DATE.—In the case of a plan  
11 which has designated a valuation date other than the first  
12 day of the plan year, the Secretary may prescribe rules  
13 for the application of this section which are necessary to  
14 reflect the alternate valuation date.

15 “(l) SINGLE-EMPLOYER PLAN.—For purposes of this  
16 section, the term ‘single-employer plan’ means a plan  
17 which is not a multiemployer plan.”.

18 (3) AMENDMENTS TO 2006 ACT.—Sections  
19 103(c)(2)(A)(ii) and 113(b)(2)(A)(ii) of the 2006  
20 Act are each amended—

21 (A) by striking “subsection” and inserting  
22 “section”, and

23 (B) by striking “subparagraph” and in-  
24 serting “paragraph”.

1 (d) AMENDMENTS RELATED TO SECTIONS 107 AND  
2 114.—

3 (1) AMENDMENTS TO ERISA.—

4 (A) Section 103(d) of ERISA is amend-  
5 ed—

6 (i) in paragraph (3), by striking “the  
7 normal costs, the accrued liabilities” and  
8 inserting “the normal costs or target nor-  
9 mal costs, the accrued liabilities or funding  
10 target”, and

11 (ii) by striking paragraph (7) and in-  
12 serting the following new paragraph:

13 “(7) A certification of the contribution nec-  
14 essary to reduce the minimum required contribution  
15 determined under section 303, or the accumulated  
16 funding deficiency determined under section 304, to  
17 zero.”.

18 (B) Section 4071 of ERISA is amended by  
19 striking “as section 303(k)(4) or 307(e)” and  
20 inserting “or section 303(k)(4),”.

21 (2) AMENDMENTS TO 1986 CODE.—

22 (A) Section 401(a)(29) of the 1986 Code  
23 is amended by striking “ON PLANS IN AT-RISK  
24 STATUS” in the heading.

1 (B) Section 401(a)(32)(C) of the 1986  
2 Code is amended—

3 (i) by striking “section 430(j)” and  
4 inserting “section 430(j)(3)”, and

5 (ii) by striking “paragraph (5)(A)”  
6 and inserting “section 430(j)(4)(A)”.

7 (C) Section 401(a)(33) of the 1986 Code is  
8 amended—

9 (i) by striking “section 412(c)(2)” in  
10 subparagraph (B)(iii) and inserting “sec-  
11 tion 412(d)(2)”, and

12 (ii) by striking “section 412(b)(2)  
13 (without regard to subparagraph (B)  
14 thereof)” in subparagraph (D) and insert-  
15 ing “section 412(b)(1), without regard to  
16 section 412(b)(2)”.

17 (D) Section 411 of the 1986 Code is  
18 amended—

19 (i) by striking “section 412(c)(2)” in  
20 subsection (a)(3)(C) and inserting “section  
21 412(d)(2)”, and

22 (ii) by striking “section 412(e)(2)” in  
23 subsection (d)(6)(A) and inserting “section  
24 412(d)(2)”.

1 (E) Section 414(l)(2)(B)(i)(I) of the 1986  
2 Code is amended to read as follows:

3 “(I) the sum of the funding tar-  
4 get and target normal cost determined  
5 under section 430, over”.

6 (F) Section 4971 of the 1986 Code is  
7 amended—

8 (i) by striking “required minimum” in  
9 subsection (b)(1) and inserting “minimum  
10 required”,

11 (ii) by inserting “or unpaid minimum  
12 required contribution, whichever is applica-  
13 ble” after “accumulated funding defi-  
14 ciency” each place it appears in sub-  
15 sections (c)(3) and (d)(1), and

16 (iii) by striking “section  
17 412(a)(1)(A)” in subsection (e)(1) and in-  
18 serting “section 412(a)(2)”.

19 (3) AMENDMENT TO 2006 ACT.—Section 114 of  
20 the 2006 Act is amended by adding at the end the  
21 following new subsection:

22 “(g) EFFECTIVE DATES.—

23 “(1) IN GENERAL.—The amendments made by  
24 this section shall apply to plan years beginning after  
25 2007.

1           “(2) EXCISE TAX.—The amendments made by  
2           subsection (e) shall apply to taxable years beginning  
3           after 2007, but only with respect to plan years de-  
4           scribed in paragraph (1) which end with or within  
5           any such taxable year.”.

6           (e) AMENDMENT RELATED TO SECTION 116.—Sec-  
7           tion 409A(b)(3)(A)(ii) of the 1986 Code is amended by  
8           inserting “to an applicable covered employee” after  
9           “under the plan”.

10   **SEC. 102. AMENDMENTS RELATED TO TITLE II.**

11           (a) AMENDMENT RELATED TO SECTIONS 201 AND  
12           211.—Section 201(b)(2)(A) of the 2006 Act is amended  
13           by striking “has not used” and inserting “has not adopt-  
14           ed, or ceased using,”.

15           (b) AMENDMENTS RELATED TO SECTIONS 202 AND  
16           212.—

17           (1) AMENDMENTS TO ERISA.—

18                   (A) Section 302(b)(3) of ERISA is amend-  
19                   ed by striking “the plan adopts” and inserting  
20                   “the plan sponsor adopts”.

21                   (B) Section 305(b)(3)(C) of ERISA is  
22                   amended by striking “section 101(b)(4)” and  
23                   inserting “section 101(b)(1)”.

24                   (C) Section 305(b)(3)(D) of ERISA is  
25                   amended by striking “The Secretary” in clause

1 (iii) and inserting “The Secretary of the Treas-  
2 ury, in consultation with the Secretary”.

3 (D) Section 305(c)(7) of ERISA is amend-  
4 ed—

5 (i) by striking “to agree on” and all  
6 that follows in subparagraph (A)(ii) and  
7 inserting “to adopt a contribution schedule  
8 with terms consistent with the funding im-  
9 provement plan and a schedule from the  
10 plan sponsor,” and

11 (ii) by striking subparagraph (B) and  
12 inserting the following new subparagraph:

13 “(B) DATE OF IMPLEMENTATION.—The  
14 date specified in this subparagraph is the date  
15 which is 180 days after the date on which the  
16 collective bargaining agreement described in  
17 subparagraph (A) expires.” and

18 (iii) by adding at the end the fol-  
19 lowing new subparagraph:

20 “(C) FAILURE TO MAKE SCHEDULED CON-  
21 TRIBUTIONS.—Any failure to make a contribu-  
22 tion under a schedule of contribution rates pro-  
23 vided under this paragraph shall be treated as  
24 a delinquent contribution under section 515 and  
25 shall be enforceable as such.”.



1 (E) Section 305(e) of ERISA is amend-  
2 ed—

3 (i) in paragraph (3)(C)—

4 (I) by striking all that follows “to  
5 adopt a” in clause (i)(II) and insert-  
6 ing “to adopt a contribution schedule  
7 with terms consistent with the reha-  
8 bilitation plan and a schedule from  
9 the plan sponsor under paragraph  
10 (1)(B)(i),”

11 (II) by striking clause (ii) and in-  
12 serting the following new clause:

13 “(ii) DATE OF IMPLEMENTATION.—  
14 The date specified in this clause is the date  
15 which is 180 days after the date on which  
16 the collective bargaining agreement de-  
17 scribed in clause (i) expires.” and

18 (III) by adding at the end the  
19 following new clause:

20 “(iii) FAILURE TO MAKE SCHEDULED  
21 CONTRIBUTIONS.—Any failure to make a  
22 contribution under a schedule of contribu-  
23 tion rates provided under this subsection  
24 shall be treated as a delinquent contribu-

- 1                   tion under section 515 and shall be en-  
2                   forceable as such.”,
- 3                   (ii) in paragraph (4)—
- 4                   (I) by striking “the date of” in  
5                   subparagraph (A)(ii), and
- 6                   (II) by striking “and taking” in  
7                   subparagraph (B) and inserting “but  
8                   taking”,
- 9                   (iii) in paragraph (6)—
- 10                  (I) by striking “paragraph  
11                  (1)(B)(i)” and inserting “the last sen-  
12                  tence of paragraph (1)”, and
- 13                  (II) by striking “established” and  
14                  inserting “establish”,
- 15                  (iv) in paragraph (8)(C)(iii)—
- 16                  (I) by striking “the Secretary” in  
17                  subclause (I) and inserting “the Sec-  
18                  retary of the Treasury, in consultation  
19                  with the Secretary”, and
- 20                  (II) by striking “Secretary” in  
21                  the last sentence and inserting “Sec-  
22                  retary of the Treasury”, and
- 23                  (v) by striking “an employer’s with-  
24                  drawal liability” in paragraph (9)(B) and

1           inserting “the allocation of unfunded vest-  
2           ed benefits to an employer”.

3           (F) Section 305(f)(2)(A)(i) of ERISA is  
4           amended by adding at the end the following:  
5           “to a participant or beneficiary whose annuity  
6           starting date (as defined in section 205(h)(2))  
7           occurs after the date such notice is sent,”.

8           (G) Section 305(g) of ERISA is amended  
9           by inserting “under subsection (e)” after “fund-  
10          ing improvement plan” the first place it ap-  
11          pears.

12          (H) Section 502(c)(2) of ERISA is amend-  
13          ed by striking “101(b)(4)” and inserting  
14          “101(b)(1)”.

15          (I) Section 502(e)(8)(A) of ERISA is  
16          amended by inserting “plan” after “multiem-  
17          ployer”.

18          (2) AMENDMENTS TO 1986 CODE.—

19          (A) Section 432(b)(3)(C) of the 1986 Code  
20          is amended by striking “section 101(b)(4)” and  
21          inserting “section 101(b)(1)”.

22          (B) Section 432(b)(3)(D)(iii) of the 1986  
23          Code is amended by striking “The Secretary of  
24          Labor” and inserting “The Secretary, in con-  
25          sultation with the Secretary of Labor”.

1 (C) Section 432(c) of the 1986 Code is  
2 amended—

3 (i) in paragraph (3), by striking “sec-  
4 tion 304(d)” in subparagraph (A)(ii) and  
5 inserting “section 431(d)”, and

6 (ii) in paragraph (7)—

7 (I) by striking “to agree on” and  
8 all that follows in subparagraph  
9 (A)(ii) and inserting “to adopt a con-  
10 tribution schedule with terms con-  
11 sistent with the funding improvement  
12 plan and a schedule from the plan  
13 sponsor,” and

14 (II) by striking subparagraph (B)  
15 and inserting the following new sub-  
16 paragraph:

17 “(B) DATE OF IMPLEMENTATION.—The  
18 date specified in this subparagraph is the date  
19 which is 180 days after the date on which the  
20 collective bargaining agreement described in  
21 subparagraph (A) expires.”.

22 (D) Section 432(e) of the 1986 Code is  
23 amended—

24 (i) in paragraph (3)(C)—

1 (I) by striking all that follows “to  
2 adopt a” in clause (i)(II) and insert-  
3 ing “to adopt a contribution schedule  
4 with terms consistent with the reha-  
5 bilitation plan and a schedule from  
6 the plan sponsor under paragraph  
7 (1)(B)(i),” and

8 (II) by striking clause (ii) and in-  
9 serting the following new clause:

10 “(ii) DATE OF IMPLEMENTATION.—

11 The date specified in this clause is the date  
12 which is 180 days after the date on which  
13 the collective bargaining agreement de-  
14 scribed in clause (i) expires.”,

15 (ii) in paragraph (4)—

16 (I) by striking “the date of” in  
17 subparagraph (A)(ii), and

18 (II) by striking “and taking” in  
19 subparagraph (B) and inserting “but  
20 taking”,

21 (iii) in paragraph (6)—

22 (I) by striking “paragraph  
23 (1)(B)(i)” and inserting “the last sen-  
24 tence of paragraph (1)”, and

1 (II) by striking “established” and  
2 inserting “establish”,  
3 (iv) in paragraph (8)—

4 (I) by striking “section 204(g)”  
5 in subparagraph (A)(i) and inserting  
6 “section 411(d)(6)”,

7 (II) by inserting “of the Em-  
8 ployee Retirement Income Security  
9 Act of 1974” after “4212(a)” in sub-  
10 paragraph (C)(i)(II),

11 (III) by striking “the Secretary  
12 of Labor” in subparagraph (C)(iii)(I)  
13 and inserting “the Secretary, in con-  
14 sultation with the Secretary of  
15 Labor”, and

16 (IV) by striking “the Secretary of  
17 Labor” in the last sentence of sub-  
18 paragraph (C)(iii) and inserting “the  
19 Secretary”, and

20 (v) by striking “an employer’s with-  
21 drawal liability” in paragraph (9)(B) and  
22 inserting “the allocation of unfunded vest-  
23 ed benefits to an employer”.

24 (E) Section 432(f)(2)(A)(i) of the 1986  
25 Code is amended—

1 (i) by striking “section 411(b)(1)(A)”  
2 and inserting “section 411(a)(9)”; and

3 (ii) by inserting at the end the fol-  
4 lowing: “to a participant or beneficiary  
5 whose annuity starting date (as defined in  
6 section 417(f)(2)) occurs after the date  
7 such notice is sent,”.

8 (F) Section 432(g) of the 1986 Code is  
9 amended by inserting “under subsection (c)”  
10 after “funding improvement plan” the first  
11 place it appears.

12 (G) Section 432(i) of the 1986 Code is  
13 amended—

14 (i) by striking “section 412(a)” in  
15 paragraph (3) and inserting “section  
16 431(a)”, and

17 (ii) by striking paragraph (9) and in-  
18 serting the following new paragraph:

19 “(9) PLAN SPONSOR.—For purposes of this sec-  
20 tion, section 431, and section 4971(g):

21 “(A) IN GENERAL.—The term ‘plan spon-  
22 sor’ means, with respect to any multiemployer  
23 plan, the association, committee, joint board of  
24 trustees, or other similar group of representa-

1           tives of the parties who establish or maintain  
2           the plan.

3           “(B) SPECIAL RULE FOR SECTION 404(c)  
4           PLANS.—In the case of a plan described in sec-  
5           tion 404(c) (or a continuation of such plan),  
6           such term means the bargaining parties de-  
7           scribed in paragraph (1).”.

8           (H) Section 412(b)(3) of the 1986 Code is  
9           amended by striking “the plan adopts” and in-  
10          serting “the plan sponsor adopts”.

11          (I) Section 4971(g)(4) of the 1986 Code is  
12          amended—

13                 (i) in subparagraph (B)(ii), by strik-  
14                 ing “first day of” and inserting “day fol-  
15                 lowing the close of”, and

16                 (ii) by striking clause (ii) of subpara-  
17                 graph (C) and inserting the following new  
18                 clause:

19                         “(ii) PLAN SPONSOR.—For purposes  
20                         of clause (i), the term ‘plan sponsor’ has  
21                         the meaning given such term by section  
22                         432(i)(9).”.

23          (3) AMENDMENTS TO 2006 ACT.—

24                 (A) Section 212(b)(2) of the 2006 Act is  
25                 amended by striking “Section 4971(c)(2) of



1 such Code” and inserting “Section 4971(e)(2)  
2 of such Code”.

3 (B) Section 212(e)(1) of the 2006 Act is  
4 amended by inserting “, except that the amend-  
5 ments made by subsection (b) shall apply to  
6 taxable years beginning after 2007, but only  
7 with respect to plan years beginning after 2007  
8 which end with or within any such taxable  
9 year” before the period at the end.

10 (C) Section 212(e)(2) of the 2006 Act is  
11 amended by striking “section 305(b)(3) of the  
12 Employee Retirement Income Security Act of  
13 1974” and inserting “section 432(b)(3) of the  
14 Internal Revenue Code of 1986”.

15 **SEC. 103. AMENDMENTS RELATED TO TITLE III.**

16 (a) AMENDMENT RELATED TO SECTION 301.—  
17 Clause (ii) of section 101(c)(2)(A) of the Pension Funding  
18 Equity Act of 2004, as amended by section 301(e) of the  
19 2006 Act, is amended by striking “2008” and inserting  
20 “2009”.

21 (b) AMENDMENTS RELATED TO SECTION 302.—

22 (1) AMENDMENT TO ERISA.—Section  
23 205(g)(3)(B)(iii)(II) of ERISA is amended by strik-  
24 ing “section 205(g)(3)(B)(iii)(II)” and inserting  
25 “section 205(g)(3)(A)(ii)(II)”.

1 (2) AMENDMENTS TO 1986 CODE.—

2 (A) Section 417(e)(3)(D)(i) of the 1986  
3 Code is amended by striking “clause (ii)” and  
4 inserting “subparagraph (C)”.

5 (B)(i) Section 415(b)(2)(E)(v) of the 1986  
6 Code is amended to read as follows:

7 “(v) For purposes of adjusting any  
8 benefit or limitation under subparagraph  
9 (B), (C), or (D), the mortality table used  
10 shall be the applicable mortality table  
11 (within the meaning of section  
12 417(e)(3)(B)).”.

13 (ii)(I) Except as provided in subclause (II),  
14 the amendment made by clause (i) shall apply  
15 to years beginning after December 31, 2008.

16 (II) A plan sponsor may elect to have the  
17 amendment made by clause (i) apply to any  
18 year beginning after December 31, 2007, and  
19 before January 1, 2009, or to any portion of  
20 any such year.

21 **SEC. 104. AMENDMENTS RELATED TO TITLE IV.**

22 (a) AMENDMENT RELATED TO SECTION 401.—Sec-  
23 tion 4006(a)(3)(A)(i) of ERISA is amended by striking  
24 “1990” and inserting “2005”.

1 (b) AMENDMENT RELATED TO SECTION 402.—Sec-  
2 tion 402(c)(1)(A) of the 2006 Act is amended by striking  
3 “commercial airline” and inserting “commercial”.

4 (c) AMENDMENT RELATED TO SECTION 408.—Sec-  
5 tion 4044(e) of ERISA, as added by section 408(b)(2) of  
6 the 2006 Act, is redesignated as subsection (f).

7 (d) AMENDMENTS RELATED TO SECTION 409.—Sec-  
8 tion 4041(b)(5)(A) of ERISA is amended by striking  
9 “subparagraph (B)” and inserting “subparagraphs (B)  
10 and (D)”.

11 (e) AMENDMENTS RELATED TO SECTION 410.—Sec-  
12 tion 4050(d)(4)(A) of ERISA is amended—

13 (1) by striking “and” at the end of clause (i),  
14 and

15 (2) by striking clause (ii) and inserting the fol-  
16 lowing new clauses:

17 “(ii) which is not a plan described in  
18 paragraph (2), (3), (4), (6), (7), (8), (9),  
19 (10), or (11) of section 4021(b), and

20 “(iii) which, was a plan described in  
21 section 401(a) of the Internal Revenue  
22 Code of 1986 which includes a trust ex-  
23 exempt from tax under section 501(a) of  
24 such Code, and”.

1 **SEC. 105. AMENDMENTS RELATED TO TITLE V.**

2 (a) AMENDMENT RELATED TO SECTION 501.—Sec-  
3 tion 101(f)(2)(B)(ii) of ERISA is amended—

4 (1) by striking “for which the latest annual re-  
5 port filed under section 104(a) was filed” in sub-  
6 clause (I)(aa) and inserting “to which the notice re-  
7 lates”, and

8 (2) by striking subclause (II) and inserting the  
9 following new subclause:

10 “(II) in the case of a multiem-  
11 ployer plan, a statement, for the plan  
12 year to which the notice relates and  
13 the preceding 2 plan years, of the  
14 value of the plan assets (determined  
15 both in the same manner as under  
16 section 304 and under the rules of  
17 subclause (I)(bb)) and the value of the  
18 plan liabilities (determined in the  
19 same manner as under section 304 ex-  
20 cept that the method specified in sec-  
21 tion 305(i)(8) shall be used),”.

22 (b) AMENDMENTS RELATED TO SECTION 502.—

23 (1) Section 101(k)(2) of ERISA is amended by  
24 filing at the end the following new flush sentence:

25 “Subparagraph (C)(i) shall not apply to individually  
26 identifiable information with respect to any plan in-

1 vestment manager or adviser, or with respect to any  
2 other person (other than an employee of the plan)  
3 preparing a financial report required to be included  
4 under paragraph (1)(B).”.

5 (2) Section 4221 of ERISA is amended by  
6 striking subsection (e) and by redesignating sub-  
7 sections (f) and (g) as subsections (e) and (f), re-  
8 spectively.

9 (c) AMENDMENTS RELATED TO SECTION 503.—

10 (1) AMENDMENTS TO ERISA.—

11 (A) Section 104(b)(3) of ERISA is amend-  
12 ed by—

13 (i) striking “section 103(f)” and in-  
14 serting “section 101(f)”, and

15 (ii) striking “the administrators” and  
16 inserting “the administrator”.

17 (B) Section 104(d)(1)(E)(ii) of ERISA is  
18 amended by inserting “funding” after “plan’s”.

19 (2) AMENDMENTS TO 2006 ACT.—Section  
20 503(e) of the 2006 Act is amended by striking “sec-  
21 tion 101(f)” and inserting “section 104(d)”.

22 (d) AMENDMENT RELATED TO SECTION 505.—Sec-  
23 tion 4010(d)(2)(B) of ERISA is amended by striking “sec-  
24 tion 302(d)(2)” and inserting “section 303(d)(2)”.

25 (e) AMENDMENTS RELATED TO SECTION 506.—

1           (1) Section 4041(e)(2)(D)(i) of ERISA is  
2 amended by striking “subsection (a)(2)” the second  
3 place it appears and inserting “subparagraph (A) or  
4 the regulations under subsection (a)(2)”.

5           (2) Section 4042(c)(3)(C)(i) of ERISA is  
6 amended—

7                 (A) by striking “and plan sponsor” and in-  
8 sserting “, the plan sponsor, or the corporation”,  
9 and

10                (B) by striking “subparagraph (A)(i)” and  
11 inserting “subparagraph (A)”.

12           (f) AMENDMENTS RELATED TO SECTION 508.—Sec-  
13 tion 209(a) of ERISA is amended—

14                 (1) in paragraph (1)—

15                     (A) by striking “regulations prescribed by  
16 the Secretary” and inserting “such regulations  
17 as the Secretary may prescribe”, and

18                     (B) by striking the last sentence and in-  
19 sserting “The report required under this para-  
20 graph shall be in the same form, and contain  
21 the same information, as periodic benefit state-  
22 ments under section 105(a).”, and

23                 (2) by striking paragraph (2) and inserting the  
24 following:

1           “(2) If more than one employer adopts a plan,  
2           each such employer shall furnish to the plan admin-  
3           istrator the information necessary for the adminis-  
4           trator to maintain the records, and make the re-  
5           ports, required by paragraph (1). Such adminis-  
6           trator shall maintain the records, and make the re-  
7           ports, required by paragraph (1).”.

8           (g) AMENDMENT RELATED TO SECTION 509.—Sec-  
9           tion 101(i)(8)(B) of ERISA is amended to read as follows:

10           “(B) ONE-PARTICIPANT RETIREMENT  
11           PLAN.—For purposes of subparagraph (A), the  
12           term ‘one-participant retirement plan’ means a  
13           retirement plan that on the first day of the plan  
14           year—

15           “(i) covered only one individual (or  
16           the individual and the individual’s spouse)  
17           and the individual (or the individual and  
18           the individual’s spouse) owned 100 percent  
19           of the plan sponsor (whether or not incor-  
20           porated), or

21           “(ii) covered only one or more part-  
22           ners (or partners and their spouses) in the  
23           plan sponsor.”.

24           **SEC. 106. AMENDMENTS RELATED TO TITLE VI.**

25           (a) AMENDMENTS RELATED TO SECTION 601.—

1 (1) AMENDMENTS TO ERISA.—

2 (A) Section 408(g)(3)(D)(ii) of ERISA is  
3 amended by striking “subsection (b)(14)(B)(ii)”  
4 and inserting “subsection (b)(14)(A)(ii)”.

5 (B) Section 408(g)(6)(A)(i) of ERISA is  
6 amended by striking “financial adviser” and in-  
7 sserting “fiduciary adviser”.

8 (C) Section 408(g)(11)(A) of ERISA is  
9 amended—

10 (i) by striking “the participant” each  
11 place it appears and inserting “a partici-  
12 pant”, and

13 (ii) by striking “section 408(b)(4)” in  
14 clause (ii) and inserting “subsection  
15 (b)(4)”.

16 (2) AMENDMENTS TO 1986 CODE.—

17 (A) Section 4975(d)(17) of the 1986 Code,  
18 in the matter preceding subparagraph (A), is  
19 amended by striking “and that permits” and in-  
20 sserting “that permits”.

21 (B) Section 4975(f)(8) of the 1986 Code is  
22 amended—

23 (i) in subparagraph (A), by striking  
24 “subsection (b)(14)” and inserting “sub-  
25 section (d)(17)”.



1 (ii) in subparagraph (C)(iv)(II), by  
2 striking “subsection (b)(14)(B)(ii)” and in-  
3 sserting “(d)(17)(A)(ii)”,

4 (iii) in subparagraph (F)(i)(I), by  
5 striking “financial adviser” and inserting  
6 “fiduciary adviser,”

7 (iv) in subparagraph (I), by striking  
8 “section 406” and inserting “subsection  
9 (e)”, and

10 (v) in subparagraph (J)(i)—

11 (I) by striking “the participant”  
12 each place it appears and inserting “a  
13 participant”,

14 (II) in the matter preceding sub-  
15 clause (I), by inserting “referred to in  
16 subsection (e)(3)(B)” after “invest-  
17 ment advice”, and

18 (III) in subelause (II), by strik-  
19 ing “section 408(b)(4)” and inserting  
20 “subsection (d)(4)”.

21 (3) AMENDMENT TO 2006 ACT.—Section  
22 601(b)(4) of the 2006 Act is amended by striking  
23 “section 4975(e)(3)(B)” and inserting “section  
24 4975(e)(3)(B)”.

25 (b) AMENDMENTS RELATED TO SECTION 611.—

1           (1) AMENDMENT TO ERISA.—Section  
2           408(b)(18)(C) of ERISA is amended by striking “or  
3           less”.

4           (2) AMENDMENTS TO 1986 CODE.—Section  
5           4975(d) of the 1986 Code is amended—

6                   (A) in the matter preceding subparagraph  
7                   (A) of paragraph (18)—

8                           (i) by striking “party in interest” and  
9                           inserting “disqualified person”, and

10                           (ii) by striking “subsection (e)(3)(B)”  
11                           and inserting “subsection (e)(3)”,

12                   (B) in paragraphs (19), (20), and (21), by  
13                   striking “party in interest” each place it ap-  
14                   pears and inserting “disqualified person”, and

15                   (C) by striking “or less” in paragraph  
16                   (21)(C).

17           (c) AMENDMENTS RELATED TO SECTION 612.—Sec-  
18           tion 4975(f)(11)(B)(i) of the 1986 Code is amended by—

19                   (1) inserting “of the Employee Retirement In-  
20                   come Security Act of 1974” after “section  
21                   407(d)(1)”, and

22                   (2) inserting “of such Act” after “section  
23                   407(d)(2)”.

24           (d) AMENDMENTS RELATED TO SECTION 624.—Sec-  
25           tion 404(c)(5) of ERISA is amended by striking “partici-

1 pant” each place it appears and inserting “participant or  
2 beneficiary”.

3 **SEC. 107. AMENDMENTS RELATED TO TITLE VII.**

4 (a) AMENDMENTS TO ERISA.—

5 (1) Section 203(f)(1)(B) of ERISA is amended  
6 to read as follows:

7 “(B) the requirements of section 204(c) or  
8 205(g), or the requirements of subsection (e),  
9 with respect to accrued benefits derived from  
10 employer contributions,”.

11 (2) Section 204(b)(5) of ERISA is amended—

12 (A) by striking “clause” in subparagraph  
13 (A)(iii) and inserting “subparagraph”, and

14 (B) by inserting “otherwise” before “allow-  
15 able” in subparagraph (C).

16 (3) Subclause (II) of section 204(b)(5)(B)(i) of  
17 ERISA is amended to read as follows:

18 “(II) PRESERVATION OF CAP-  
19 ITAL.—An applicable defined benefit  
20 plan shall be treated as failing to  
21 meet the requirements of paragraph  
22 (1)(H) unless the plan provides that  
23 an interest credit (or equivalent  
24 amount) of less than zero shall in no  
25 event result in the account balance or

1 similar amount being less than the ag-  
2 gregate amount of contributions cred-  
3 ited to the account.”.

4 (b) AMENDMENTS TO 1986 CODE.—

5 (1) Section 411(b)(5) of the 1986 Code is  
6 amended—

7 (A) by striking “clause” in subparagraph  
8 (A)(iii) and inserting “subparagraph”, and  
9 (B) by inserting “otherwise” before “allow-  
10 able” in subparagraph (C).

11 (2) Section 411(a)(13)(A) of the 1986 Code is  
12 amended—

13 (A) by striking “paragraph (2)” in clause  
14 (i) and inserting “subparagraph (B)”,

15 (B) by striking clause (ii) and inserting the  
16 following new clause:

17 “(ii) the requirements of subsection  
18 (a)(11) or (c), or the requirements of sec-  
19 tion 417(e), with respect to accrued bene-  
20 fits derived from employer contributions,”  
21 and

22 (C) by striking “paragraph (3)” in the  
23 matter following clause (ii) and inserting “sub-  
24 paragraph (C)”.

1           (3) Subclause (II) of section 411(b)(5)(B)(i) of  
2 the 1986 Code is amended to read as follows:

3                   “(II) PRESERVATION OF CAP-  
4 ITAL.—An applicable defined benefit  
5 plan shall be treated as failing to  
6 meet the requirements of paragraph  
7 (1)(H) unless the plan provides that  
8 an interest credit (or equivalent  
9 amount) of less than zero shall in no  
10 event result in the account balance or  
11 similar amount being less than the ag-  
12 gregate amount of contributions cred-  
13 ited to the account.”.

14           (c) AMENDMENTS TO 2006 ACT.—

15           (1) Section 701(d)(2) of the 2006 Act is  
16 amended by striking “204(g)” and inserting  
17 “205(g)”.

18           (2) Section 701(e) of the 2006 Act is amend-  
19 ed—

20                   (A) by inserting “on or” after “period” in  
21 paragraph (3),

22                   (B) in paragraph (4)—

23                           (i) by inserting “the earlier of” after  
24 “before” in the matter preceding subpara-  
25 graph (A), and

1 (ii) by striking “earlier” and inserting  
2 “later” in subparagraph (A),  
3 (C) by inserting “on or” before “after”  
4 each place it appears in paragraph (5), and  
5 (D) by adding at the end the following new  
6 paragraph:

7 “(6) SPECIAL RULE FOR VESTING REQUIRE-  
8 MENTS.—The requirements of section 203(f)(2) of  
9 the Employee Retirement Income Security Act of  
10 1974 and section 411(a)(13)(B) of the Internal Rev-  
11 enue Code of 1986 (as added by this Act)—

12 “(A) shall not apply to a participant who  
13 does not have an hour of service after the effec-  
14 tive date of such requirements (as otherwise de-  
15 termined under this subsection); and

16 “(B) in the case of a plan other than a  
17 plan described in paragraph (3) or (4), shall  
18 apply to plan years ending on or after June 29,  
19 2005.”.

20 **SEC. 108. AMENDMENTS RELATED TO TITLE VIII.**

21 (a) AMENDMENTS RELATED TO SECTION 801.—

22 (1) Section 404(o) of the 1986 Code is amend-  
23 ed—

24 (A) by striking “430(g)(2)” in paragraph  
25 (2)(A)(ii) and inserting “430(g)(3)”, and

1 (B) by striking “412(f)(4)” in paragraph  
2 (4)(B) and inserting “412(d)(3)”.

3 (2) Section 404(a)(7)(A) of the 1986 Code is  
4 amended—

5 (A) by striking the next to last sentence,  
6 and

7 (B) by striking “the plan’s funding short-  
8 fall determined under section 430” in the last  
9 sentence and inserting “the excess (if any) of  
10 the plan’s funding target (as defined in section  
11 430(d)(1)) over the value of the plan’s assets  
12 (as determined under section 430(g)(3))”.

13 (b) AMENDMENT RELATED TO SECTION 802.—Sec-  
14 tion 404(a)(1)(D)(i) of the 1986 Code is amended by  
15 striking “431(e)(6)(C)” and inserting “431(e)(6)(D)”.

16 (c) AMENDMENT RELATED TO SECTION 803.—  
17 Clause (iii) of section 404(a)(7)(C) of the 1986 Code is  
18 amended to read as follows:

19 “(iii) LIMITATION.—In the case of  
20 employer contributions to 1 or more de-  
21 fined contribution plans—

22 “(I) if such contributions do not  
23 exceed 6 percent of the compensation  
24 otherwise paid or accrued during the  
25 taxable year to the beneficiaries under

1 such plans, this paragraph shall not  
2 apply to such contributions or to em-  
3 ployer contributions to the defined  
4 benefit plans to which this paragraph  
5 would otherwise apply by reason of  
6 contributions to the defined contribu-  
7 tion plans, and

8 “(II) if such contributions exceed  
9 6 percent of such compensation, this  
10 paragraph shall be applied by only  
11 taking into account such contributions  
12 to the extent of such excess.

13 For purposes of this clause, amounts car-  
14 ried over from preceding taxable years  
15 under subparagraph (B) shall be treated  
16 as employer contributions to 1 or more de-  
17 fined contributions plans to the extent at-  
18 tributable to employer contributions to  
19 such plans in such preceding taxable  
20 years.”.

21 (d) AMENDMENTS RELATED TO SECTION 824.—

22 (1) Section 408A(c)(3)(B) of the 1986 Code, as  
23 in effect after the amendments made by section  
24 824(b)(1) of the 2006 Act, is amended—



1 (A) by striking the second “an” before “el-  
2 ible”,

3 (B) by striking “other than a Roth IRA”,  
4 and

5 (C) by adding at the end the following new  
6 flush sentence:

7 “This subparagraph shall not apply to a quali-  
8 fied rollover contribution from a Roth IRA or  
9 to a qualified rollover contribution from a des-  
10 ignated Roth account which is a rollover con-  
11 tribution described in section 402A(e)(3)(A).”

12 (2) Section 408A(d)(3)(B), as in effect after  
13 the amendments made by section 824(b)(2)(B) of  
14 the 2006 Act, is amended by striking “(other than  
15 a Roth IRA)” and by inserting at the end the fol-  
16 lowing new sentence: “This paragraph shall not  
17 apply to a distribution which is a qualified rollover  
18 contribution from a Roth IRA or a qualified rollover  
19 contribution from a designated Roth account which  
20 is a rollover contribution described in section  
21 402A(e)(3)(A).”

22 (e) AMENDMENT TO SECTION 827.—The first sen-  
23 tence of section 72(t)(2)(G)(iv) of the 1986 Code is  
24 amended by inserting “on or” before “before”.

25 (f) AMENDMENTS RELATED TO SECTION 829.—

1 (1) Section 402(c)(11) of the 1986 Code is  
2 amended—

3 (A) by inserting “described in paragraph  
4 (8)(B)(iii)” after “eligible retirement plan” in  
5 subparagraph (A), and

6 (B) by striking “trust” before “designated  
7 beneficiary” in subparagraph (B).

8 (2)(A) Section 402(f)(2)(A) of the 1986 Code is  
9 amended by adding at the end the following new  
10 sentence: “Such term shall include any distribution  
11 to a designated beneficiary which would be treated  
12 as an eligible rollover distribution by reason of sub-  
13 section (c)(11), or section 403(a)(4)(B),  
14 403(b)(8)(B), or 457(e)(16)(B), if the requirements  
15 of subsection (c)(11) were satisfied.”

16 (B) Clause (i) of section 402(c)(11)(A) of the  
17 1986 Code is amended by striking “for purposes of  
18 this subsection”.

19 (C) The amendments made by this paragraph  
20 shall apply with respect to plan years beginning  
21 after December 31, 2009.

22 (g) AMENDMENT RELATED TO SECTION 832.—Sec-  
23 tion 415(f) of the 1986 Code is amended by striking para-  
24 graph (2) and by redesignating paragraph (3) as para-  
25 graph (2).