



The ERISA Industry Committee

Advocating the Employee Benefit and Compensation Interests of Major Employers

1400 L Street NW, Suite 350, Washington, DC 20005
202.789.1400 Fax: 202.789.1120 www.eric.org

H.R. 4

TABLE OF CONTENTS*

TITLE I—REFORM OF FUNDING RULES FOR SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

Subtitle A—Amendments to Employee Retirement Income Security Act of 1974	Page
Sec. 101. Minimum funding standards.	8
Sec. 102. Funding rules for single-employer defined benefit pension plans.	22
Sec. 103. Benefit limitations under single-employer plans.	78
Sec. 104. Special rules for multiple employer plans of certain cooperatives.	98
Sec. 105. Temporary relief for certain PBGC settlement plans.....	100
Sec. 106. Special rules for plans of certain government contractors.....	101
Sec. 107. Technical and conforming amendments.....	103

Subtitle B—Amendments to Internal Revenue Code of 1986

Sec. 111. Minimum funding standards.....	108
Sec. 112. Funding rules for single-employer defined benefit pension plans.....	125
Sec. 113. Benefit limitations under single-employer plans.....	180
Sec. 114. Technical and conforming amendments.....	198
Sec. 115. Modification of transition rule to pension funding requirements.....	205
Sec. 116. Restrictions on funding of nonqualified deferred compensation plans by employers maintaining underfunded or terminated singleemployer plans.....	208

TITLE II—FUNDING RULES FOR MULTIEMPLOYER DEFINED BENEFIT PLANS AND RELATED PROVISIONS

Subtitle A—Amendments to Employee Retirement Income Security Act of 1974

Sec. 201. Funding rules for multiemployer defined benefit plans.....	212
Sec. 202. Additional funding rules for multiemployer plans in endangered or critical status...	240
Sec. 203. Measures to forestall insolvency of multiemployer plans.....	290
Sec. 204. Withdrawal liability reforms.....	291
Sec. 205. Prohibition on retaliation against employers exercising their rights to petition the Federal government.....	298
Sec. 206. Special rule for certain benefits funded under an agreement approved by the Pension Benefit Guaranty Corporation.....	298

* This paginated table of contents was prepared by ERIC for the use of its members and is not the official table from H.R. 4.

Subtitle B—Amendments to Internal Revenue Code of 1986

Sec. 211. Funding rules for multiemployer defined benefit plans.....	299
Sec. 212. Additional funding rules for multiemployer plans in endangered or critical status...	324
Sec. 213. Measures to forestall insolvency of multiemployer plans.....	378
Sec. 214. Exemption from excise taxes for certain multiemployer pension plans.....	378

Subtitle C—Sunset of Additional Funding Rules

Sec. 221. Sunset of additional funding rules.....	379
---	-----

TITLE III—INTEREST RATE ASSUMPTIONS

Sec. 301. Extension of replacement of 30-year Treasury rates.....	382
Sec. 302. Interest rate assumption for determination of lump sum distributions.....	383
Sec. 303. Interest rate assumption for applying benefit limitations to lump sum distributions..	387

TITLE IV—PBGC GUARANTEE AND RELATED PROVISIONS

Sec. 401. PBGC premiums.....	388
Sec. 402. Special funding rules for certain plans maintained by commercial airlines.....	390
Sec. 403. Limitation on PBGC guarantee of shutdown and other benefits.....	405
Sec. 404. Rules relating to bankruptcy of employer.....	406
Sec. 405. PBGC premiums for small plans.....	407
Sec. 406. Authorization for PBGC to pay interest on premium overpayment refunds.....	408
Sec. 407. Rules for substantial owner benefits in terminated plans.....	409
Sec. 408. Acceleration of PBGC computation of benefits attributable to recoveries from employers.....	414
Sec. 409. Treatment of certain plans where cessation or change in membership of a controlled group.....	419
Sec. 410. Missing participants.....	422
Sec. 411. Director of the Pension Benefit Guaranty Corporation.....	425
Sec. 412. Inclusion of information in the PBGC annual report.....	427

TITLE V—DISCLOSURE

Sec. 501. Defined benefit plan funding notice.....	429
Sec. 502. Access to multiemployer pension plan information.....	437
Sec. 503. Additional annual reporting requirements.....	444
Sec. 504. Electronic display of annual report information.....	454
Sec. 505. Section 4010 filings with the PBGC.....	454
Sec. 506. Disclosure of termination information to plan participants.....	457
Sec. 507. Notice of freedom to divest employer securities.....	463
Sec. 508. Periodic pension benefit statements.....	464
Sec. 509. Notice to participants or beneficiaries of blackout periods.....	472

TITLE VI—INVESTMENT ADVICE, PROHIBITED TRANSACTIONS, AND FIDUCIARY RULES

Subtitle A—Investment Advice

Sec. 601. Prohibited transaction exemption for provision of investment advice.....	473
--	-----

Subtitle B—Prohibited Transactions

Sec. 611. Prohibited transaction rules relating to financial investments.....	513
Sec. 612. Correction period for certain transactions involving securities and commodities.....	538

Subtitle C—Fiduciary and Other Rules

Sec. 621. Inapplicability of relief from fiduciary liability during suspension of ability of participant or beneficiary to direct investments.....	544
Sec. 622. Increase in maximum bond amount.....	548
Sec. 623. Increase in penalties for coercive interference with exercise of ERISA rights.....	549
Sec. 624. Treatment of investment of assets by plan where participant fails to exercise investment election.....	549
Sec. 625. Clarification of fiduciary rules.....	551

TITLE VII—BENEFIT ACCRUAL STANDARDS

Sec. 701. Benefit accrual standards.....	552
Sec. 702. Regulations relating to mergers and acquisitions.....	586

TITLE VIII—PENSION RELATED REVENUE PROVISIONS

Subtitle A—Deduction Limitations

Sec. 801. Increase in deduction limit for single-employer plans.....	586
Sec. 802. Deduction limits for multiemployer plans.....	594
Sec. 803. Updating deduction rules for combination of plans.....	595

Subtitle B—Certain Pension Provisions Made Permanent

Sec. 811. Pensions and individual retirement arrangement provisions of Economic Growth and Tax Relief Reconciliation Act of 2001 made permanent.....	597
Sec. 812. Saver's credit.....	597

Subtitle C—Improvements in Portability, Distribution, and Contribution Rules

Sec. 821. Clarifications regarding purchase of permissive service credit.....	598
Sec. 822. Allow rollover of after-tax amounts in annuity contracts.....	600
Sec. 823. Clarification of minimum distribution rules for governmental plans.....	601
Sec. 824. Allow direct rollovers from retirement plans to Roth IRAs.....	601
Sec. 825. Eligibility for participation in retirement plans.....	604
Sec. 826. Modifications of rules governing hardships and unforeseen financial emergencies.....	604
Sec. 827. Penalty-free withdrawals from retirement plans for individuals called to active duty for at least 179 days.....	605
Sec. 828. Waiver of 10 percent early withdrawal penalty tax on certain distributions of pension plans for public safety employees.....	609
Sec. 829. Allow rollovers by nonspouse beneficiaries of certain retirement plan distributions.	610
Sec. 830. Direct payment of tax refunds to individual retirement plans.....	612
Sec. 831. Allowance of additional IRA payments in certain bankruptcy cases.....	613
Sec. 832. Determination of average compensation for section 415 limits.....	615
Sec. 833. Inflation indexing of gross income limitations on certain retirement savings incentives.	616

Subtitle D—Health and Medical Benefits

Sec. 841. Use of excess pension assets for future retiree health benefits and collectively bargained retiree health benefits.....	620
Sec. 842. Transfer of excess pension assets to multiemployer health plan.....	633
Sec. 843. Allowance of reserve for medical benefits of plans sponsored by bona fide associations.....	634
Sec. 844. Treatment of annuity and life insurance contracts with a long-term care insurance feature.....	635
Sec. 845. Distributions from governmental retirement plans for health and Long-Term care insurance for public safety officers.....	644

Subtitle E—United States Tax Court Modernization

Sec. 851. Cost-of-living adjustments for Tax Court judicial survivor annuities.....	650
Sec. 852. Cost of life insurance coverage for Tax Court judges age 65 or over.....	651
Sec. 853. Participation of Tax Court judges in the Thrift Savings Plan.....	652
Sec. 854. Annuities to surviving spouses and dependent children of special trial judges of the Tax Court.....	655
Sec. 855. Jurisdiction of Tax Court over collection due process cases.....	658
Sec. 856. Provisions for recall.....	659
Sec. 857. Authority for special trial judges to hear and decide certain employment status cases.....	661
Sec. 858. Confirmation of authority of Tax Court to apply doctrine of equitable recoupment..	661
Sec. 859. Tax Court filing fee in all cases commenced by filing petition.....	662
Sec. 860. Expanded use of Tax Court practice fee for pro se taxpayers.....	663

Subtitle F—Other Provisions

Sec. 861. Extension to all governmental plans of current moratorium on application of certain nondiscrimination rules applicable to State and local plans.....	663
Sec. 862. Elimination of aggregate limit for usage of excess funds from black lung disability trusts.....	664
Sec. 863. Treatment of death benefits from corporate-owned life insurance.....	665
Sec. 864. Treatment of test room supervisors and proctors who assist in the administration of college entrance and placement exams.....	673
Sec. 865. Grandfather rule for church plans which self-annuitize.....	674
Sec. 866. Exemption for income from leveraged real estate held by church plans.....	675
Sec. 867. Church plan rule.....	675
Sec. 868. Gratuitous transfer for benefits of employees.....	676

TITLE IX—INCREASE IN PENSION PLAN DIVERSIFICATION AND PARTICIPATION AND OTHER PENSION PROVISIONS

Sec. 901. Defined contribution plans required to provide employees with freedom to invest their plan assets.....	677
Sec. 902. Increasing participation through automatic contribution arrangements.....	697
Sec. 903. Treatment of eligible combined defined benefit plans and qualified cash or deferred arrangements.....	716
Sec. 904. Faster vesting of employer nonelective contributions.....	739
Sec. 905. Distributions during working retirement.....	745
Sec. 906. Treatment of certain pension plans of Indian tribal governments.....	746

TITLE X—PROVISIONS RELATING TO SPOUSAL PENSION PROTECTION

Sec. 1001. Regulations on time and order of issuance of domestic relations orders.....	751
Sec. 1002. Entitlement of divorced spouses to railroad retirement annuities independent of actual entitlement of employee.....	752
Sec. 1003. Extension of tier II railroad retirement benefits to surviving former spouses pursuant to divorce agreements.....	752
Sec. 1004. Requirement for additional survivor annuity option.....	753

TITLE XI—ADMINISTRATIVE PROVISIONS

Sec. 1101. Employee plans compliance resolution system.....	758
Sec. 1102. Notice and consent period regarding distributions.....	759
Sec. 1103. Reporting simplification.....	761
Sec. 1104. Voluntary early retirement incentive and employment retention plans maintained by local educational agencies and other entities.....	764
Sec. 1105. No reduction in unemployment compensation as a result of pension rollovers.....	771
Sec. 1106. Revocation of election relating to treatment as multiemployer plan.....	772
Sec. 1107. Provisions relating to plan amendments.....	778

TITLE XII—PROVISIONS RELATING TO EXEMPT ORGANIZATIONS

Subtitle A—Charitable Giving Incentives

Sec. 1201. Tax-free distributions from individual retirement plans for charitable purposes....	780
Sec. 1202. Extension of modification of charitable deduction for contributions of food inventory.	787
Sec. 1203. Basis adjustment to stock of S corporation contributing property.....	787
Sec. 1204. Extension of modification of charitable deduction for contributions of book inventory.	788
Sec. 1205. Modification of tax treatment of certain payments to controlling exempt organizations.....	788
Sec. 1206. Encouragement of contributions of capital gain real property made for conservation purposes.....	791
Sec. 1207. Excise taxes exemption for blood collector organizations.....	797

Subtitle B—Reforming Exempt Organizations

PART 1—GENERAL REFORMS

Sec. 1211. Reporting on certain acquisitions of interests in insurance contracts in which certain exempt organizations hold an interest.....	803
Sec. 1212. Increase in penalty excise taxes relating to public charities, social welfare organizations, and private foundations.....	808
Sec. 1213. Reform of charitable contributions of certain easements in registered historic districts and reduced deduction for portion of qualified conservation contribution attributable to rehabilitation credit	811
Sec. 1214. Charitable contributions of taxidermy property.....	815
Sec. 1215. Recapture of tax benefit for charitable contributions of exempt use property not used for an exempt use.....	817

Sec. 1216. Limitation of deduction for charitable contributions of clothing and household items.....	823
Sec. 1217. Modification of recordkeeping requirements for certain charitable contributions...	825
Sec. 1218. Contributions of fractional interests in tangible personal property.....	825
Sec. 1219. Provisions relating to substantial and gross overstatements of valuations.....	833
Sec. 1220. Additional standards for credit counseling organizations.....	841
Sec. 1221. Expansion of the base of tax on private foundation net investment income.....	849
Sec. 1222. Definition of convention or association of churches.....	851
Sec. 1223. Notification requirement for entities not currently required to file.....	852
Sec. 1224. Disclosure to State officials relating to exempt organizations.....	856
Sec. 1225. Public disclosure of information relating to unrelated business income tax returns.....	862
Sec. 1226. Study on donor advised funds and supporting organizations.....	863

PART 2—IMPROVED ACCOUNTABILITY OF DONOR ADVISED FUNDS

Sec. 1231. Excise taxes relating to donor advised funds.....	865
Sec. 1232. Excess benefit transactions involving donor advised funds and sponsoring organizations.....	874
Sec. 1233. Excess business holdings of donor advised funds.....	878
Sec. 1234. Treatment of charitable contribution deductions to donor advised funds.....	879
Sec. 1235. Returns of, and applications for recognition by, sponsoring organizations.....	883

PART 3—IMPROVED ACCOUNTABILITY OF SUPPORTING ORGANIZATIONS

Sec. 1241. Requirements for supporting organizations.....	884
Sec. 1242. Excess benefit transactions involving supporting organizations.....	890
Sec. 1243. Excess business holdings of supporting organizations.....	894
Sec. 1244. Treatment of amounts paid to supporting organizations by private foundations....	899
Sec. 1245. Returns of supporting organizations.....	902

TITLE XIII—OTHER PROVISIONS

Sec. 1301. Technical corrections relating to mine safety.....	903
Sec. 1302. Going-to-the-sun road.....	904
Sec. 1303. Exception to the local furnishing requirement of the tax-exempt bond rules.....	905
Sec. 1304. Qualified tuition programs.....	906

TITLE XIV—TARIFF PROVISIONS

Sec. 1401. Short title; table of contents.....	7
--	---

