



PENSION BENEFIT GUARANTY CORPORATION

Submission of Information Collection for OMB Review; Comment Request; Special Financial Assistance Information

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Notice of request for extension of OMB approval of information collection.

SUMMARY: The Pension Benefit Guaranty Corporation (PBGC) is requesting that the Office of Management and Budget (OMB) extend approval under the Paperwork Reduction Act of a collection of information contained in PBGC's regulation on special financial assistance. The purpose of the information collection is to gather information necessary for PBGC to operate this special financial assistance program. This notice informs the public of PBGC's request and solicits public comment on the collection of information.

DATES: Comments must be submitted on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

All comments received will be posted without change to PBGC's website, <http://www.pbgc.gov>, including any personal information provided. Do not submit comments that include any personally identifiable information or confidential business information.

A copy of the request will be posted on PBGC's website at <https://www.pbgc.gov/prac/laws-and-regulation/federal-register-notice-open-for-comment>. It may also be obtained without charge by writing to the Disclosure Division (disclosure@pbgc.gov), Office of the General Counsel of PBGC, 445 12th Street SW,

Washington, DC 20024–2101; or, calling 202–229–4040 during normal business hours. If you are deaf or hard of hearing or have a speech disability, please dial 7–1–1 to access telecommunications relay services.

FOR FURTHER INFORMATION CONTACT: Karen Levin (*levin.karen@pbgc.gov*), Attorney, Regulatory Affairs, Office of the General Counsel, Pension Benefit Guaranty Corporation, 445 12th Street SW, Washington, DC 20024-2101; 202–229–3559. If you are deaf or hard of hearing or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

SUPPLEMENTARY INFORMATION: Section 4262 of the Employee Retirement Income Security Act of 1974 (ERISA) requires PBGC to provide special financial assistance (SFA) to certain financially troubled multiemployer plans upon application for assistance. Part 4262 of PBGC’s regulations, “Special Financial Assistance by PBGC,” provides guidance to multiemployer pension plan sponsors on eligibility, determining the amount of SFA, content of an application for SFA, the process of applying, PBGC’s review of applications, restrictions and conditions, and reporting and notice requirements.

To apply for SFA, a plan sponsor must file an application with PBGC and include information about the plan, plan documentation, and actuarial information, as specified in §§ 4262.6 through 4262.9. Also, if the plan is changing certain assumptions for purposes of demonstrating its requested amount of SFA, then the plan sponsor may use PBGC’s SFA assumptions guidance. PBGC needs the application information to review a plan’s eligibility for SFA and amount of requested SFA. PBGC estimates that over the next 3 years an annual average of 45 plan sponsors will file applications for SFA with an average annual hour burden of 540 (45 x 12) hours and an average annual cost burden of \$1,530,000 (45 x \$34,000).

Under § 4262.10(g), a plan sponsor may, but is not required to, file a lock-in application as a plan’s initial application. The lock-in application contains basic information about the plan and a statement of intent to lock-in base data. PBGC needs the information in the lock-in

application to ensure that a plan sponsor intends to lock-in the plan's data. PBGC estimates that over the next 3 years an annual average of 6 plan sponsors will file lock-in applications for SFA with an average annual hour burden of 6 (6 x 1) hours and an average annual cost burden of \$4,800 (6 x \$800).

Under § 4262.16(i), a plan sponsor of a plan that has received SFA must file an Annual Statement of Compliance with the restrictions and conditions under section 4262 of ERISA and part 4262 once every year through 2051. PBGC needs the information in the Annual Statement of Compliance to ensure that a plan is compliant with the imposed restrictions and conditions. PBGC is providing updated instructions for filers to use when entering the information for the Annual Statement of Compliance in PBGC's e-Filing portal. The instructions include a certification statement that must be manually signed and dated by a trustee who is a current member of the plan's board of trustees and authorized to sign on behalf of the board of trustees, or by another representative of the plan sponsor. PBGC estimates that over the next 3 years an annual average of 150 plan sponsors will file an Annual Statement of Compliance with an average annual hour burden of 300 (150 x 2) hours and an average annual cost burden of \$360,000 (150 x \$2,400).

Under § 4262.15(c), a plan sponsor of a plan with benefits that were suspended under sections 305(e)(9) or 4245(a) of ERISA must issue notices of reinstatement to participants and beneficiaries whose benefits were suspended and are being reinstated. Participants and beneficiaries need the notice of reinstatement to better understand the calculation and timing of their reinstated benefits and, if applicable, make-up payments. PBGC estimates that over the next 3 years an average of 2 plans per year will be required to send notices to participants with suspended benefits. PBGC estimates that these notices will impose an average annual hour burden of 4 (2 x 2) hours and average annual cost burden of \$4,000 (2 x \$2,000).

Finally, under § 4262.16(d), (f), (g) and (h) a plan sponsor must file a request for a determination from PBGC for approval for an exception under certain circumstances for SFA

conditions under § 4262.16 relating to reductions in contributions, transfers or mergers, and withdrawal liability. PBGC needs the information required for a request for a determination to evaluate whether to approve an exception from the specified condition of receiving SFA. PBGC estimates that over the next 3 years, PBGC will receive an average of 4.2 requests per year for determinations. PBGC estimates an average annual hour burden of 13.6 hours and average annual cost burden of \$33,000 $((0.2 \times \$25,000) + (2 \times \$12,000) + (2 \times \$2,000))$.

The estimated aggregate average annual hour burden for the next 3 years for the information collection in part 4262 is 863.6 $(540 + 6 + 300 + 4 + 13.6)$ hours for employer and fund office administrative, clerical, and supervisory time. The estimated aggregate average annual cost burden for the next 3 years for the information collection request in part 4262 is \$1,931,800 $(\$1,530,000 + \$4,800 + \$360,000 + \$4,000 + \$33,000)$ for approximately 4,830 contract hours assuming an average hourly rate of \$400 for work done by outside actuaries and attorneys. The actual hour burden and cost burden per plan will vary depending on plan size and other factors.

The existing collection of information under the regulation has been approved by OMB under control number 1212-0074 (expires May 31, 2024). On December 20, 2023, PBGC published in the Federal Register (88 FR 88138) a notice informing the public of its intent to request an extension of this collection of information. No comments were received. PBGC is requesting that OMB extend approval of the collection of information for 3 years. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Issued in Washington, DC, by:

Gregory Katz,

*Deputy Assistant General Counsel for Regulatory Affairs,
Pension Benefit Guaranty Corporation.*

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