

107TH CONGRESS
2D SESSION

H. R. 4778

To amend title I of the Employee Retirement Income Security Act of 1974 to provide for more effective enforcement by the Department of Labor of the requirements of such title relating to participation, vesting, benefit accrual, and funding.

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 2002

Mr. SANDERS (for himself, Mr. HINCHEY, Mr. GUTKNECHT, Ms. MCKINNEY, Ms. DELAURO, Ms. WOOLSEY, Mr. OWENS, Mr. FRANK, Ms. SCHAKOWSKY, Mr. BORSKI, Mr. KENNEDY of Rhode Island, and Mr. KILDEE) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend title I of the Employee Retirement Income Security Act of 1974 to provide for more effective enforcement by the Department of Labor of the requirements of such title relating to participation, vesting, benefit accrual, and funding.

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.**

4 This Act may be cited as the “Pension Protection Act
5 of 2002”.

1 **SEC. 2. ENFORCEMENT OF ERISA REQUIREMENTS RELAT-**
2 **ING TO PENSION PLANS.**

3 (a) IN GENERAL.—Section 502(b) of the Employee
4 Retirement Income Security Act of 1974 (29 U.S.C.
5 1132(b)) is amended by striking paragraph (1) and by re-
6 designating paragraphs (2) and (3) as paragraphs (1) and
7 (2), respectively. Notwithstanding Reorganization Plan
8 No. 4 of 1978 (5 U.S.C. app.; 29 U.S.C. 1001 note), the
9 Secretary of Labor shall undertake enforcement under sec-
10 tion 502 of such Act with respect to violations of the re-
11 quirements of parts 2 and 3 of subtitle B of title I of
12 such Act.

13 (b) ENFORCEMENT ACTIONS IN RESPONSE TO IN-
14 SPECTOR GENERAL’S REPORT.—As soon as practicable
15 after the date of the enactment of this Act, the Secretary
16 of Labor shall commence appropriate enforcement of the
17 requirements of sections 203 and 205 of the Employee Re-
18 tirement Income Security Act of 1974 in connection with
19 the 13 plans referred to in the report of the Office of In-
20 spector General, Department of Labor, issued on March
21 29, 2002, entitled “PWBA Needs to Improve Oversight
22 of Cash Balance Plan Lump Sum Distributions” (Report
23 No. 09–02–001–12–121) and identified by such Office in
24 the audit referred to in such report as having forfeitures.

1 **SEC. 3. GUIDANCE BY THE SECRETARY OF LABOR FOR AD-**
2 **MINISTRATORS OF CERTAIN DEFINED BEN-**
3 **EFIT PLANS.**

4 As soon as practicable after the date of the enactment
5 of this Act, the Secretary of Labor, in conjunction with
6 the Secretary of the Treasury, shall undertake to develop
7 improved guidance for administrators of defined benefit
8 plans with respect to the requirements of parts 2 and 3
9 of subtitle B of title I of the Employee Retirement Income
10 Security Act of 1974 in connection with defined benefit
11 plans which express accrued benefits in the form of an
12 account balance. Such guidance shall include further as-
13 sistance with respect to all factors involved in determining
14 lump sum distributions of accrued benefits under such
15 plans.

16 **SEC. 4. EFFECTIVE DATE.**

17 The amendments made by this Act shall take effect
18 on the date of the enactment of this Act and shall apply
19 with respect to violations occurring before, on, or after
20 such date.

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