AM	MENDMENT NO	Calendar No
Pu	urpose: In the nature of a subst	itute.
IN	THE SENATE OF THE UNITED	STATES—110th Cong., 2d Sess.
	H.R.33	361
	To make technical correction Protection Act	
R	Referred to the Committee on _ ordered to be	printed
	Ordered to lie on the tab	le and to be printed
Ам	MENDMENT IN THE NATURE of to be proposed by Mr. BAUC LEY, Mr. KENNEDY, and Mr	us (for himself, Mr. Grass-
Viz	Z:	
1	Strike all after the enact	ing clause and insert the fol-
2	lowing:	
3	SECTION 1. SHORT TITLE; TAB	LE OF CONTENTS.
4	(a) SHORT TITLE.—The	s Act may be cited as the
5	"Worker, Retiree, and Emplo	oyer Recovery Act of 2008".
6	(b) Table of Contents	s.—The table of contents for
7	this Act is as follows:	
	Sec. 1. Short title; table of contents.	
	TITLE I—TECHNICAL CORRECTION PROTECTION	

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.

TITLE III—TRIBAL PENSION PLANS

Sec. 301. Treatment of certain pension plans of Indian tribal governments.

TITLE IV—EXTENSION OF STIMULUS PROVISIONS

- Sec. 401. Extension and modification of special allowance for certain property acquired during 2009.
- Sec. 402. Temporary increase in limitations on expensing of certain depreciable business assets.

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 $303(c)(5)(B)(w)(H)$ 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 $430(c)(5)(B)(iv)(II)$ 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	(e), 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	(Π) 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	(c) Amendments Related to Sections 103 and
2	113.—
3	(1) Amendments to erisa.—
4	(A) Section 101(j) of ERISA is amended—
5	(i) in paragraph (2), by striking "sec-
6	tion 206(g)(4)(B)" and inserting "section
7	206(g)(4)(A)"; and
8	(ii) by adding at the end the fol-
9	lowing: "The Secretary of the Treasury, in
10	consultation with the Secretary, shall have
11	the authority to prescribe rules applicable
12	to the notices required under this sub-
13	section.".
14	(B) Section 206(g)(1)(B)(ii) of ERISA is
15	amended by striking "a funding" and inserting
16	"an adjusted funding".
17	(C) The heading for section $206(g)(1)(C)$
18	of ERISA is amended by inserting "BENEFIT"
19	after "EVENT".
20	(D) Section $206(g)(3)(E)$ of ERISA is
21	amended by adding at the end the following
22	new flush sentence:
23	"Such term shall not include the payment of a
24	benefit which under section 203(e) may be im-

1	mediately distributed without the consent of the
2	participant.".
3	(E) Section 206(g)(5)(A)(iv) of ERISA is
4	amended by inserting "adjusted" before "fund-
5	ing".
6	(F) Section $206(g)(9)(C)$ of ERISA is
7	amended—
8	(i) by striking "without regard to this
9	subparagraph and" in clause (i), and
10	(ii) in clause (iii)—
11	(I) by striking "without regard to
12	this subparagraph" and inserting
13	"without regard to the reduction in
14	the value of assets under section
15	303(f)(4)", and
16	(II) by inserting "beginning" be-
17	fore "after" each place it appears.
18	(G) Section 206(g) of ERISA is amended
19	by redesignating paragraph (10) as paragraph
20	(11) and by inserting after paragraph (9) the
21	following new paragraph:
22	"(10) Secretarial authority for plans
23	WITH ALTERNATE VALUATION DATE.—In the case of
24	a plan which has designated a valuation date other
25	than the first day of the plan year, the Secretary of

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1	the Treasury may prescribe rules for the application
2	of this subsection which are necessary to reflect the
3	alternate valuation date.".
4	(H) Section 502(c)(4) of ERISA is amend-
5	ed by striking "by any person" and all that fol-
6	lows through the period and inserting "by any
7	person of subsection (j), (k), or (l) of section
8	101 or section 514(e)(3).".
9	(2) Amendments to 1986 code.—
10	(A) Section 436(b)(2) of the 1986 Code is
11	amended—
12	(i) by striking "section 303" and in-
13	serting "section 430" in the matter pre-
14	ceding subparagraph (A), and
15	(ii) by striking "a funding" and in-
16	serting "an adjusted funding" in subpara-
17	graph (B).
18	(B) Section 436(b)(3) of the 1986 Code is
19	amended—
20	(i) by inserting "BENEFIT" after
21	"EVENT" in the heading, and
22	(ii) by striking "any event" in sub-
23	paragraph (B) and inserting "an event".

1	(C) Section 436(d)(5) of the 1986 Code is
2	amended by adding at the end the following
3	new flush sentence:
4	"Such term shall not include the payment of a ben-
5	efit which under section 411(a)(11) may be imme-
6	diately distributed without the consent of the partici-
7	pant.".
8	(D) Section 436(f) of the 1986 Code is
9	amended—
10	(i) by inserting "adjusted" before
11	"funding" in paragraph (1)(D), and
12	(ii) by striking "prefunding balance
13	under section 430(f) or funding standard
14	carryover balance" in paragraph (2) and
15	inserting "prefunding balance or funding
16	standard carryover balance under section
17	430(f)".
18	(E) Section $436(j)(3)$ of the 1986 Code is
19	amended—
20	(i) in subparagraph (A)—
21	(I) by striking "without regard to
22	this paragraph and",
23	(II) by striking "section
24	430(f)(4)(A)" and inserting "section
25	430(f)(4)", and

1	(III) by striking "paragraph (1)"
2	and inserting "paragraphs (1) and
3	(2)", and
4	(ii) in subparagraph (C)—
5	(I) by striking "without regard to
6	this paragraph" and inserting "with-
7	out regard to the reduction in the
8	value of assets under section
9	430(f)(4)", and
10	(II) by inserting "beginning" be-
11	fore "after" each place it appears.
12	(F) Section 436 of the 1986 Code is
13	amended by redesignating subsection (k) as
14	subsection (m) and by inserting after subsection
15	(j) the following new subsections:
16	"(k) Secretarial Authority for Plans With
17	ALTERNATE VALUATION DATE.—In the case of a plan
18	which has designated a valuation date other than the first
19	day of the plan year, the Secretary may prescribe rules
20	for the application of this section which are necessary to
21	reflect the alternate valuation date.
22	"(l) Single-Employer Plan.—For purposes of this
23	section, the term 'single-employer plan' means a plan
24	which is not a multiemployer plan.".

1	(3) Amendments to 2006 act.—Sections
2	103(c)(2)(A)(ii) and $113(b)(2)(A)(ii)$ of the 2006
3	Act are each amended—
4	(A) by striking "subsection" and inserting
5	"section", and
6	(B) by striking "subparagraph" and in-
7	serting "paragraph".
8	(d) Amendments Related to Sections 107 and
9	114.—
10	(1) Amendments to erisa.—
11	(A) Section 103(d) of ERISA is amend-
12	ed —
13	(i) in paragraph (3), by striking "the
14	normal costs, the accrued liabilities" and
15	inserting "the normal costs or target nor-
16	mal costs, the accrued liabilities or funding
17	target", and
18	(ii) by striking paragraph (7) and in-
19	serting the following new paragraph:
20	"(7) A certification of the contribution nec-
21	essary to reduce the minimum required contribution
22	determined under section 303, or the accumulated
23	funding deficiency determined under section 304, to
24	zero.".

1	(B) Section 4071 of ERISA is amended by
2	striking "as section 303(k)(4) or 307(e)" and
3	inserting "or section 303(k)(4),".
4	(2) Amendments to 1986 code.—
5	(A) Section 401(a)(29) of the 1986 Code
6	is amended by striking "ON PLANS IN AT-RISK
7	STATUS" in the heading.
8	(B) Section 401(a)(32)(C) of the 1986
9	Code is amended—
10	(i) by striking "section 430(j)" and
11	inserting "section 430(j)(3)", and
12	(ii) by striking "paragraph (5)(A)"
13	and inserting "section 430(j)(4)(A)".
14	(C) Section 401(a)(33) of the 1986 Code is
15	amended—
16	(i) by striking "section $412(c)(2)$ " in
17	subparagraph (B)(iii) and inserting "sec-
18	tion 412(d)(2)", and
19	(ii) by striking "section 412(b)(2)
20	(without regard to subparagraph (B)
21	thereof)" in subparagraph (D) and insert-
22	ing "section 412(b)(1), without regard to
23	section 412(b)(2)".
24	(D) Section 411 of the 1986 Code is
25	amended—

1	(i) by striking "section $412(c)(2)$ " in
2	subsection (a)(3)(C) and inserting "section
3	412(d)(2)", and
4	(ii) by striking "section 412(e)(2)" in
5	subsection (d)(6)(A) and inserting "section
6	412(d)(2)".
7	(E) Section $414(1)(2)(B)(i)(I)$ of the 1986
8	Code is amended to read as follows:
9	"(I) the sum of the funding tar-
10	get and target normal cost determined
11	under section 430, over".
12	(F) Section 4971 of the 1986 Code is
13	amended—
14	(i) by striking "required minimum" in
15	subsection $(b)(1)$ and inserting "minimum
16	required",
17	(ii) by inserting "or unpaid minimum
18	required contribution, whichever is applica-
19	ble" after "accumulated funding defi-
20	ciency" each place it appears in sub-
21	sections $(c)(3)$ and $(d)(1)$, and
22	(iii) by striking "section
23	412(a)(1)(A)" in subsection (e)(1) and in-
24	serting "section 412(a)(2)".

23 212.—

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	22
1	(3) Amendment to 2006 act.—Section 114 of
2	the 2006 Act is amended by adding at the end the
3	following new subsection:
4	"(g) Effective Dates.—
5	"(1) In general.—The amendments made by
6	this section shall apply to plan years beginning after
7	2007.
8	"(2) Excise Tax.—The amendments made by
9	subsection (e) shall apply to taxable years beginning
10	after 2007, but only with respect to plan years de-
11	scribed in paragraph (1) which end with or within
12	any such taxable year.".
13	(e) Amendment Related to Section 116.—Sec-
14	tion 409A(b)(3)(A)(ii) of the 1986 Code is amended by
15	inserting "to an applicable covered employee" after
16	"under the plan".
17	SEC. 102. AMENDMENTS RELATED TO TITLE II.
18	(a) Amendment Related to Sections 201 and
19	211.—Section 201(b)(2)(A) of the 2006 Act is amended
20	by striking "has not used" and inserting "has not adopt-
21	ed, or ceased using,".
22	(b) Amendments Related to Sections 202 and

(1) Amendments to Erisa.—

1	(A) Section 302(b)(3) of ERISA is amend-
2	ed by striking "the plan adopts" and inserting
3	"the plan sponsor adopts".
4	(B) Section 305(b)(3)(C) of ERISA is
5	amended by striking "section 101(b)(4)" and
6	inserting "section 101(b)(1)".
7	(C) Section $305(b)(3)(D)$ of ERISA is
8	amended by striking "The Secretary" in clause
9	(iii) and inserting "The Secretary of the Treas-
10	ury, in consultation with the Secretary'.
11	(D) Section 305(c)(7) of ERISA is amend-
12	ed —
13	(i) by striking "to agree on" and all
14	that follows in subparagraph (A)(ii) and
15	inserting "to adopt a contribution schedule
16	with terms consistent with the funding im-
17	provement plan and a schedule from the
18	plan sponsor,", and
19	(ii) by striking subparagraph (B) and
20	inserting the following new subparagraph:
21	"(B) Date of implementation.—The
22	date specified in this subparagraph is the date
23	which is 180 days after the date on which the
24	collective bargaining agreement described in
25	subparagraph (A) expires.", and

1	(iii) by adding at the end the fol-
2	lowing new subparagraph:
3	"(C) Failure to make scheduled con-
4	TRIBUTIONS.—Any failure to make a contribu-
5	tion under a schedule of contribution rates pro-
6	vided under this paragraph shall be treated as
7	a delinquent contribution under section 515 and
8	shall be enforceable as such.".
9	(E) Section 305(e) of ERISA is amend-
10	ed —
11	(i) in paragraph (3)(C)—
12	(I) by striking all that follows "to
13	adopt a" in clause (i)(II) and insert-
14	ing "to adopt a contribution schedule
15	with terms consistent with the reha-
16	bilitation plan and a schedule from
17	the plan sponsor under paragraph
18	(1)(B)(i),",
19	(II) by striking clause (ii) and in-
20	serting the following new clause:
21	"(ii) Date of implementation.—
22	The date specified in this clause is the date
23	which is 180 days after the date on which
24	the collective bargaining agreement de-
25	scribed in clause (i) expires.", and

1	(III) by adding at the end the
2	following new clause:
3	"(iii) Failure to make scheduled
4	CONTRIBUTIONS.—Any failure to make a
5	contribution under a schedule of contribu-
6	tion rates provided under this subsection
7	shall be treated as a delinquent contribu-
8	tion under section 515 and shall be en-
9	forceable as such.",
10	(ii) in paragraph (4)—
11	(I) by striking "the date of" in
12	subparagraph (A)(ii), and
13	(II) by striking "and taking" in
14	subparagraph (B) and inserting "but
15	taking",
16	(iii) in paragraph (6)—
17	(I) by striking "paragraph
18	(1)(B)(i)" and inserting "the last sen-
19	tence of paragraph (1)", and
20	(II) by striking "established" and
21	inserting "establish",
22	(iv) in paragraph (8)(C)(iii)—
23	(I) by striking "the Secretary" in
24	subclause (I) and inserting "the Sec-

1	retary of the Treasury, in consultation
2	with the Secretary", and
3	(II) by striking "Secretary" in
4	the last sentence and inserting "Sec-
5	retary of the Treasury", and
6	(v) by striking "an employer's with-
7	drawal liability" in paragraph (9)(B) and
8	inserting "the allocation of unfunded vest-
9	ed benefits to an employer".
10	(F) Section $305(f)(2)(A)(i)$ of ERISA is
11	amended by adding at the end the following:
12	"to a participant or beneficiary whose annuity
13	starting date (as defined in section $205(h)(2)$)
14	occurs after the date such notice is sent,".
15	(G) Section 305(g) of ERISA is amended
16	by inserting "under subsection (c)" after "fund-
17	ing improvement plan" the first place it ap-
18	pears.
19	(H) Section 502(c)(2) of ERISA is amend-
20	ed by striking "101(b)(4)" and inserting
21	"101(b)(1)".
22	(I) Section 502(c)(8)(A) of ERISA is
23	amended by inserting "plan" after "multiem-
24	ployer".
25	(2) Amendments to 1986 code.—

1	(A) Section $432(b)(3)(C)$ of the 1986 Code
2	is amended by striking "section 101(b)(4)" and
3	inserting "section 101(b)(1)".
4	(B) Section 432(b)(3)(D)(iii) of the 1986
5	Code is amended by striking "The Secretary of
6	Labor" and inserting "The Secretary, in con-
7	sultation with the Secretary of Labor".
8	(C) Section 432(c) of the 1986 Code is
9	amended—
10	(i) in paragraph (3), by striking "sec-
11	tion 304(d)" in subparagraph (A)(ii) and
12	inserting "section 431(d)", and
13	(ii) in paragraph (7)—
14	(I) by striking "to agree on" and
15	all that follows in subparagraph
16	(A)(ii) and inserting "to adopt a con-
17	tribution schedule with terms con-
18	sistent with the funding improvement
19	plan and a schedule from the plan
20	sponsor,", and
21	(II) by striking subparagraph (B)
22	and inserting the following new sub-
23	paragraph:
24	"(B) Date of implementation.—The
25	date specified in this subparagraph is the date

1	which is 180 days after the date on which the
2	collective bargaining agreement described in
3	subparagraph (A) expires.".
4	(D) Section 432(e) of the 1986 Code is
5	amended—
6	(i) in paragraph (3)(C)—
7	(I) by striking all that follows "to
8	adopt a" in clause (i)(II) and insert-
9	ing "to adopt a contribution schedule
10	with terms consistent with the reha-
11	bilitation plan and a schedule from
12	the plan sponsor under paragraph
13	(1)(B)(i),", and
14	(II) by striking clause (ii) and in-
15	serting the following new clause:
16	"(ii) Date of implementation.—
17	The date specified in this clause is the date
18	which is 180 days after the date on which
19	the collective bargaining agreement de-
20	scribed in clause (i) expires.",
21	(ii) in paragraph (4)—
22	(I) by striking "the date of" in
23	subparagraph (A)(ii), and

1	(II) by striking "and taking" in
2	subparagraph (B) and inserting "but
3	taking",
4	(iii) in paragraph (6)—
5	(I) by striking "paragraph
6	(1)(B)(i)" and inserting "the last sen-
7	tence of paragraph (1)", and
8	(II) by striking "established" and
9	inserting "establish",
10	(iv) in paragraph (8)—
11	(I) by striking "section 204(g)"
12	in subparagraph (A)(i) and inserting
13	"section 411(d)(6)",
14	(II) by inserting "of the Em-
15	ployee Retirement Income Security
16	Act of 1974" after "4212(a)" in sub-
17	paragraph (C)(i)(II),
18	(III) by striking "the Secretary
19	of Labor' in subparagraph (C)(iii)(I)
20	and inserting "the Secretary, in con-
21	sultation with the Secretary of
22	Labor'', and
23	(IV) by striking "the Secretary of
24	Labor" in the last sentence of sub-

1	paragraph (C)(iii) and inserting "the
2	Secretary', and
3	(v) by striking "an employer's with-
4	drawal liability" in paragraph (9)(B) and
5	inserting "the allocation of unfunded vest-
6	ed benefits to an employer".
7	(E) Section $432(f)(2)(A)(i)$ of the 1986
8	Code is amended—
9	(i) by striking "section 411(b)(1)(A)"
10	and inserting "section 411(a)(9)"; and
11	(ii) by inserting at the end the fol-
12	lowing: "to a participant or beneficiary
13	whose annuity starting date (as defined in
14	section $417(f)(2)$) occurs after the date
15	such notice is sent,".
16	(F) Section 432(g) of the 1986 Code is
17	amended by inserting "under subsection (e)"
18	after "funding improvement plan" the first
19	place it appears.
20	(G) Section 432(i) of the 1986 Code is
21	amended—
22	(i) by striking "section 412(a)" in
23	paragraph (3) and inserting "section
24	431(a)", and

1	(ii) by striking paragraph (9) and in-
2	serting the following new paragraph:
3	"(9) Plan sponsor.—For purposes of this sec-
4	tion, section 431, and section 4971(g):
5	"(A) IN GENERAL.—The term 'plan spon-
6	sor' means, with respect to any multiemployer
7	plan, the association, committee, joint board of
8	trustees, or other similar group of representa-
9	tives of the parties who establish or maintain
10	the plan.
11	"(B) Special rule for section 404(c)
12	PLANS.—In the case of a plan described in sec-
13	tion 404(e) (or a continuation of such plan),
14	such term means the bargaining parties de-
15	scribed in paragraph (1).".
16	(H) Section 412(b)(3) of the 1986 Code is
17	amended by striking "the plan adopts" and in-
18	serting "the plan sponsor adopts".
19	(I) Section 4971(g)(4) of the 1986 Code is
20	amended—
21	(i) in subparagraph (B)(ii), by strik-
22	ing "first day of" and inserting "day fol-
23	lowing the close of", and

1	(ii) by striking clause (ii) of subpara-
2	graph (C) and inserting the following new
3	clause:
4	"(ii) Plan sponsor.—For purposes
5	of clause (i), the term 'plan sponsor' has
6	the meaning given such term by section
7	432(i)(9).".
8	(3) Amendments to 2006 act.—
9	(A) Section 212(b)(2) of the 2006 Act is
10	amended by striking "Section 4971(c)(2) of
11	such Code" and inserting "Section 4971(e)(2)
12	of such Code".
13	(B) Section 212(e)(1) of the 2006 Act is
14	amended by inserting ", except that the amend-
15	ments made by subsection (b) shall apply to
16	taxable years beginning after 2007, but only
17	with respect to plan years beginning after 2007
18	which end with or within any such taxable
19	year" before the period at the end.
20	(C) Section 212(e)(2) of the 2006 Act is
21	amended by striking "section 305(b)(3) of the
22	Employee Retirement Income Security Act of
23	1974" and inserting "section 432(b)(3) of the
24	Internal Revenue Code of 1986".

26

1	SEC.	103.	AMENDMENTS	RELATED TO	O TIT	LE III.
2		(a)	AMENDMENT	PELAMED	TIO.	Show

1	SEC. 103. AMENDMENTS RELATED TO TITLE III.
2	(a) Amendment Related to Section 301.—
3	Clause (ii) of section 101(c)(2)(A) of the Pension Funding
4	Equity Act of 2004, as amended by section 301(c) of the
5	2006 Act, is amended by striking "2008" and inserting
6	"2009".
7	(b) Amendments Related to Section 302.—
8	(1) Amendment to Erisa.—Section
9	205(g)(3)(B)(iii)(II) of ERISA is amended by strik-
10	ing "section $205(g)(3)(B)(iii)(II)$ " and inserting
11	"section $205(g)(3)(A)(ii)(II)$ ".
12	(2) Amendments to 1986 code.—
13	(A) Section $417(e)(3)(D)(i)$ of the 1986
14	Code is amended by striking "clause (ii)" and
15	inserting "subparagraph (C)".
16	(B)(i) Section $415(b)(2)(E)(v)$ of the 1986
17	Code is amended to read as follows:
18	"(v) For purposes of adjusting any
19	benefit or limitation under subparagraph
20	(B), (C), or (D), the mortality table used
21	shall be the applicable mortality table
22	(within the meaning of section
23	417(e)(3)(B)).".
24	(ii)(I) Except as provided in subclause (II),
25	the amendment made by clause (i) shall apply

to years beginning after December 31, 2008.

1	(II) A plan sponsor may elect to have the
2	amendment made by clause (i) apply to any
3	year beginning after December 31, 2007, and
4	before January 1, 2009, or to any portion of
5	any such year.
6	SEC. 104. AMENDMENTS RELATED TO TITLE IV.
7	(a) Amendment Related to Section 401.—Sec-
8	tion 4006(a)(3)(A)(i) of ERISA is amended by striking
9	"1990" and inserting "2005".
10	(b) Amendment Related to Section 402.—Sec-
11	tion 402(c)(1)(A) of the 2006 Act is amended by striking
12	"commercial airline" and inserting "commercial".
13	(c) Amendment Related to Section 408.—Sec-
14	tion 4044(e) of ERISA, as added by section 408(b)(2) of
15	the 2006 Act, is redesignated as subsection (f).
16	(d) Amendments Related to Section 409.—Sec-
17	tion 4041(b)(5)(A) of ERISA is amended by striking
18	"subparagraph (B)" and inserting "subparagraphs (B)
19	and (D)".
20	(e) Amendments Related to Section 410.—Sec-
21	tion 4050(d)(4)(A) of ERISA is amended—
22	(1) by striking "and" at the end of clause (i),
23	and
24	(2) by striking clause (ii) and inserting the fol-
25	lowing new clauses.

1	"(ii) which is not a plan described in
2	paragraph (2), (3), (4), (6), (7), (8), (9),
3	(10), or (11) of section 4021(b), and
4	"(iii) which, was a plan described in
5	section 401(a) of the Internal Revenue
6	Code of 1986 which includes a trust ex-
7	empt from tax under section 501(a) of
8	such Code, and".
9	SEC. 105. AMENDMENTS RELATED TO TITLE V.
10	(a) Amendment Related to Section 501.—Sec-
11	tion 101(f)(2)(B)(ii) of ERISA is amended—
12	(1) by striking "for which the latest annual re-
13	port filed under section 104(a) was filed" in sub-
14	clause (I)(aa) and inserting "to which the notice re-
15	lates", and
16	(2) by striking subclause (II) and inserting the
17	following new subclause:
18	"(II) in the case of a multiem-
19	ployer plan, a statement, for the plan
20	year to which the notice relates and
21	the preceding 2 plan years, of the
22	value of the plan assets (determined
23	both in the same manner as under
24	section 304 and under the rules of
25	subclause (I)(bb)) and the value of the

1	plan liabilities (determined in the
2	same manner as under section 304 ex-
3	cept that the method specified in sec-
4	tion 305(i)(8) shall be used),".
5	(b) Amendments Related to Section 502.—
6	(1) Section 101(k)(2) of ERISA is amended by
7	filing at the end the following new flush sentence:
8	"Subparagraph (C)(i) shall not apply to individually
9	identifiable information with respect to any plan in-
10	vestment manager or adviser, or with respect to any
11	other person (other than an employee of the plan)
12	preparing a financial report required to be included
13	under paragraph (1)(B).".
14	(2) Section 4221 of ERISA is amended by
15	striking subsection (e) and by redesignating sub-
16	sections (f) and (g) as subsections (e) and (f), re-
17	spectively.
18	(c) Amendments Related to Section 503.—
19	(1) Amendments to Erisa.—
20	(A) Section 104(b)(3) of ERISA is amend-
21	ed by—
22	(i) striking "section 103(f)" and in-
23	serting "section 101(f)", and
24	(ii) striking "the administrators" and
25	inserting "the administrator".

1	(B) Section $104(d)(1)(E)(ii)$ of ERISA is
2	amended by inserting "funding" after "plan's".
3	(2) Amendments to 2006 act.—Section
4	503(e) of the 2006 Act is amended by striking "sec-
5	tion 101(f)" and inserting "section 104(d)".
6	(d) Amendment Related to Section 505.—Sec-
7	tion 4010(d)(2)(B) of ERISA is amended by striking "sec-
8	tion $302(d)(2)$ " and inserting "section $303(d)(2)$ ".
9	(e) Amendments Related to Section 506.—
10	(1) Section $4041(c)(2)(D)(i)$ of ERISA is
11	amended by striking "subsection (a)(2)" the second
12	place it appears and inserting "subparagraph (A) or
13	the regulations under subsection (a)(2)".
14	(2) Section $4042(e)(3)(C)(i)$ of ERISA is
15	amended—
16	(A) by striking "and plan sponsor" and in-
17	serting ", the plan sponsor, or the corporation",
18	and
19	(B) by striking "subparagraph (A)(i)" and
20	inserting "subparagraph (A)".
21	(f) Amendments Related to Section 508.—Sec-
22	tion 209(a) of ERISA is amended—
23	(1) in paragraph (1)—

1	(A) by striking "regulations prescribed by
2	the Secretary" and inserting "such regulations
3	as the Secretary may prescribe", and
4	(B) by striking the last sentence and in-
5	serting "The report required under this para-
6	graph shall be in the same form, and contain
7	the same information, as periodic benefit state-
8	ments under section 105(a).", and
9	(2) by striking paragraph (2) and inserting the
10	following:
11	"(2) If more than one employer adopts a plan,
12	each such employer shall furnish to the plan admin-
13	istrator the information necessary for the adminis-
14	trator to maintain the records, and make the re-
15	ports, required by paragraph (1). Such adminis-
16	trator shall maintain the records, and make the re-
17	ports, required by paragraph (1).".
18	(g) Amendment Related to Section 509.—Sec-
19	tion 101(i)(8)(B) of ERISA is amended to read as follows:
20	"(B) One-participant retirement
21	PLAN.—For purposes of subparagraph (A), the
22	term 'one-participant retirement plan' means a
23	retirement plan that on the first day of the plan
24	year—

1	"(i) covered only one individual (or
2	the individual and the individual's spouse)
3	and the individual (or the individual and
4	the individual's spouse) owned 100 percent
5	of the plan sponsor (whether or not incor-
6	porated), or
7	"(ii) covered only one or more part-
8	ners (or partners and their spouses) in the
9	plan sponsor.".
10	SEC. 106. AMENDMENTS RELATED TO TITLE VI.
11	(a) Amendments Related to Section 601.—
12	(1) Amendments to Erisa.—
13	(A) Section $408(g)(3)(D)(ii)$ of ERISA is
14	amended by striking "subsection (b)(14)(B)(ii)"
15	and inserting "subsection (b)(14)(A)(ii)".
16	(B) Section $408(g)(6)(A)(i)$ of ERISA is
17	amended by striking "financial adviser" and in-
18	serting "fiduciary adviser".
19	(C) Section $408(g)(11)(A)$ of ERISA is
20	amended—
21	(i) by striking "the participant" each
22	place it appears and inserting "a partici-
23	pant'', and

1	(ii) by striking "section $408(b)(4)$ " in
2	clause (ii) and inserting "subsection
3	(b)(4)".
4	(2) Amendments to 1986 code.—
5	(A) Section 4975(d)(17) of the 1986 Code,
6	in the matter preceding subparagraph (A), is
7	amended by striking "and that permits" and in-
8	serting "that permits".
9	(B) Section 4975(f)(8) of the 1986 Code is
10	amended—
11	(i) in subparagraph (A), by striking
12	"subsection (b)(14)" and inserting "sub-
13	section (d)(17)",
14	(ii) in subparagraph (C)(iv)(II), by
15	striking "subsection (b)(14)(B)(ii)" and in-
16	serting ''(d)(17)(A)(ii)'',
17	(iii) in subparagraph $(F)(i)(I)$, by
18	striking "financial adviser" and inserting
19	"fiduciary adviser,",
20	(iv) in subparagraph (I), by striking
21	"section 406" and inserting "subsection
22	(c)", and
23	(v) in subparagraph (J)(i)—

1	(I) by striking "the participant"
2	each place it appears and inserting "a
3	participant",
4	(II) in the matter preceding sub-
5	clause (I), by inserting "referred to in
6	subsection (e)(3)(B)" after "invest-
7	ment advice", and
8	(III) in subclause (II), by strik-
9	ing "section 408(b)(4)" and inserting
10	"subsection (d)(4)".
11	(3) Amendment to 2006 act.—Section
12	601(b)(4) of the 2006 Act is amended by striking
13	"section 4975(c)(3)(B)" and inserting "section
14	4975(e)(3)(B)".
15	(b) Amendments Related to Section 611.—
16	(1) Amendment to Erisa.—Section
17	408(b)(18)(C) of ERISA is amended by striking "or
18	less".
19	(2) Amendments to 1986 code.—Section
20	4975(d) of the 1986 Code is amended—
21	(A) in the matter preceding subparagraph
22	(A) of paragraph (18)—
23	(i) by striking "party in interest" and
24	inserting "disqualified person", and

1	(ii) by striking "subsection (e)(3)(B)"
2	and inserting "subsection (e)(3)",
3	(B) in paragraphs (19), (20), and (21), by
4	striking "party in interest" each place it ap-
5	pears and inserting "disqualified person", and
6	(C) by striking "or less" in paragraph
7	(21)(C).
8	(c) Amendments Related to Section 612.—Sec-
9	tion 4975(f)(11)(B)(i) of the 1986 Code is amended by—
10	(1) inserting "of the Employee Retirement In-
11	come Security Act of 1974" after "section
12	407(d)(1)", and
13	(2) inserting "of such Act" after "section
14	407(d)(2)".
15	(d) Amendments Related to Section 624.—Sec-
16	tion $404(c)(5)$ of ERISA is amended by striking "partici-
17	pant" each place it appears and inserting "participant or
18	beneficiary''.
19	SEC. 107. AMENDMENTS RELATED TO TITLE VII.
20	(a) Amendments to ERISA.—
21	(1) Section 203(f)(1)(B) of ERISA is amended
22	to read as follows:
23	"(B) the requirements of section 204(c) or
24	205(g), or the requirements of subsection (e),

1	with respect to accrued benefits derived from
2	employer contributions,".
3	(2) Section 204(b)(5) of ERISA is amended—
4	(A) by striking "clause" in subparagraph
5	(A)(iii) and inserting "subparagraph", and
6	(B) by inserting "otherwise" before "allow-
7	able" in subparagraph (C).
8	(3) Subclause (II) of section 204(b)(5)(B)(i) of
9	ERISA is amended to read as follows:
10	"(II) Preservation of Cap-
11	ITAL.—An applicable defined benefit
12	plan shall be treated as failing to
13	meet the requirements of paragraph
14	(1)(H) unless the plan provides that
15	an interest credit (or equivalent
16	amount) of less than zero shall in no
17	event result in the account balance or
18	similar amount being less than the ag-
19	gregate amount of contributions cred-
20	ited to the account.".
21	(b) Amendments to 1986 Code.—
22	(1) Section 411(b)(5) of the 1986 Code is
23	amended—
24	(A) by striking "clause" in subparagraph
25	(A)(iii) and inserting "subparagraph", and

1	(B) by inserting "otherwise" before "allow-
2	able" in subparagraph (C).
3	(2) Section 411(a)(13)(A) of the 1986 Code is
4	amended—
5	(A) by striking "paragraph (2)" in clause
6	(i) and inserting "subparagraph (B)",
7	(B) by striking clause (ii) and inserting the
8	following new clause:
9	"(ii) the requirements of subsection
10	(a)(11) or (c), or the requirements of sec-
11	tion 417(e), with respect to accrued bene-
12	fits derived from employer contributions,",
13	and
14	(C) by striking "paragraph (3)" in the
15	matter following clause (ii) and inserting "sub-
16	paragraph (C)".
17	(3) Subclause (II) of section 411(b)(5)(B)(i) of
18	the 1986 Code is amended to read as follows:
19	"(II) Preservation of Cap-
20	ITAL.—An applicable defined benefit
21	plan shall be treated as failing to
22	meet the requirements of paragraph
23	(1)(H) unless the plan provides that
24	an interest credit (or equivalent
25	amount) of less than zero shall in no

1	event result in the account balance or
2	similar amount being less than the ag-
3	gregate amount of contributions cred-
4	ited to the account.".
5	(c) Amendments to 2006 Act.—
6	(1) Section $701(d)(2)$ of the 2006 Act is
7	amended by striking "204(g)" and inserting
8	"205(g)".
9	(2) Section 701(e) of the 2006 Act is amend-
10	ed—
11	(A) by inserting "on or" after "period" in
12	paragraph (3),
13	(B) in paragraph (4)—
14	(i) by inserting "the earlier of" after
15	"before" in the matter preceding subpara-
16	graph (A), and
17	(ii) by striking "earlier" and inserting
18	"later" in subparagraph (A),
19	(C) by inserting "on or" before "after"
20	each place it appears in paragraph (5), and
21	(D) by adding at the end the following new
22	paragraph:
23	"(6) Special rule for vesting require-
24	MENTS.—The requirements of section 203(f)(2) of
25	the Employee Retirement Income Security Act of

1	1974 and section 411(a)(13)(B) of the Internal Rev-
2	enue Code of 1986 (as added by this Act)—
3	"(A) shall not apply to a participant who
4	does not have an hour of service after the effec-
5	tive date of such requirements (as otherwise de-
6	termined under this subsection); and
7	"(B) in the case of a plan other than a
8	plan described in paragraph (3) or (4), shall
9	apply to plan years ending on or after June 29,
10	2005.".
11	SEC. 108. AMENDMENTS RELATED TO TITLE VIII.
12	(a) Amendments Related to Section 801.—
13	(1) Section 404(o) of the 1986 Code is amend-
14	ed—
15	(A) by striking " $430(g)(2)$ " in paragraph
16	(2)(A)(ii) and inserting " $430(g)(3)$ ", and
17	(B) by striking "412(f)(4)" in paragraph
18	(4)(B) and inserting "412(d)(3)".
19	(2) Section $404(a)(7)(A)$ of the 1986 Code is
20	amended—
21	(A) by striking the next to last sentence,
22	and
23	(B) by striking "the plan's funding short-
24	fall determined under section 430" in the last
25	sentence and inserting "the excess (if any) of

1	the plan's funding target (as defined in section
2	430(d)(1)) over the value of the plan's assets
3	(as determined under section $430(g)(3)$)".
4	(b) Amendment Related to Section 802.—Sec-
5	tion 404(a)(1)(D)(i) of the 1986 Code is amended by
6	striking " $431(e)(6)(C)$ " and inserting " $431(e)(6)(D)$ ".
7	(c) Amendment Related to Section 803.—
8	Clause (iii) of section 404(a)(7)(C) of the 1986 Code is
9	amended to read as follows:
10	"(iii) Limitation.—In the case of
11	employer contributions to 1 or more de-
12	fined contribution plans—
13	"(I) if such contributions do not
14	exceed 6 percent of the compensation
15	otherwise paid or accrued during the
16	taxable year to the beneficiaries under
17	such plans, this paragraph shall not
18	apply to such contributions or to em-
19	ployer contributions to the defined
20	benefit plans to which this paragraph
21	would otherwise apply by reason of
22	contributions to the defined contribu-
23	tion plans, and
24	"(II) if such contributions exceed
25	6 percent of such compensation, this

1	paragraph shall be applied by only
2	taking into account such contributions
3	to the extent of such excess.
4	For purposes of this clause, amounts car-
5	ried over from preceding taxable years
6	under subparagraph (B) shall be treated
7	as employer contributions to 1 or more de-
8	fined contributions plans to the extent at-
9	tributable to employer contributions to
10	such plans in such preceding taxable
11	years.".
12	(d) Amendments Related to Section 824.—
13	(1) Section 408A(c)(3)(B) of the 1986 Code, as
14	in effect after the amendments made by section
15	824(b)(1) of the 2006 Act, is amended—
16	(A) by striking the second "an" before "el-
17	igible",
18	(B) by striking "other than a Roth IRA",
19	and
20	(C) by adding at the end the following new
21	flush sentence:
22	"This subparagraph shall not apply to a quali-
23	fied rollover contribution from a Roth IRA or
24	to a qualified rollover contribution from a des-

1	ignated Roth account which is a rollover con-
2	tribution described in section 402A(c)(3)(A)."
3	(2) Section 408A(d)(3)(B), as in effect after
4	the amendments made by section 824(b)(2)(B) of
5	the 2006 Act, is amended by striking "(other than
6	a Roth IRA)" and by inserting at the end the fol-
7	lowing new sentence: "This paragraph shall not
8	apply to a distribution which is a qualified rollover
9	contribution from a Roth IRA or a qualified rollover
10	contribution from a designated Roth account which
11	is a rollover contribution described in section
12	402A(c)(3)(A)".
13	(e) Amendment to Section 827.—The first sen-
14	tence of section $72(t)(2)(G)(iv)$ of the 1986 Code is
15	amended by inserting "on or" before "before".
16	(f) Amendments Related to Section 829.—
17	(1) Section $402(c)(11)$ of the 1986 Code is
18	amended—
19	(A) by inserting "described in paragraph
20	(8)(B)(iii)" after "eligible retirement plan" in
21	subparagraph (A), and
22	(B) by striking "trust" before "designated
23	beneficiary" in subparagraph (B).
24	(2)(A) Section $402(f)(2)(A)$ of the 1986 Code is
25	amended by adding at the end the following new

1	sentence: "Such term shall include any distribution
2	to a designated beneficiary which would be treated
3	as an eligible rollover distribution by reason of sub-
4	section (c)(11), or section $403(a)(4)(B)$
5	403(b)(8)(B), or $457(e)(16)(B)$, if the requirements
6	of subsection $(c)(11)$ were satisfied."
7	(B) Clause (i) of section $402(c)(11)(A)$ of the
8	1986 Code is amended by striking "for purposes of
9	this subsection".
10	(C) The amendments made by this paragraph
11	shall apply with respect to plan years beginning
12	after December 31, 2008.
13	(g) Amendment Related to Section 832.—Sec-
14	tion 415(f) of the 1986 Code is amended by striking para-
15	graph (2) and by redesignating paragraph (3) as para-
16	graph (2).
17	(h) Amendments Related to Section 833.—
18	(1) Section 408A(c)(3)(C) of the 1986 Code, as
19	added by section 833(c) of the 2006 Act, is redesign
20	nated as subparagraph (E).
21	(2) In the case of taxable years beginning after
22	December 31, 2009, section $408A(c)(3)(E)$ of the
23	1986 Code (as redesignated by paragraph (1))—
24	(A) is redesignated as subparagraph (D)
25	and

I	(B) is amended by striking "subparagraph
2	(C)(ii)" and inserting "subparagraph (B)(ii)".
3	(i) Amendments Related to Section 841.—
4	(1) Section $420(c)(1)(A)$ of the 1986 Code is
5	amended by adding at the end the following new
6	sentence: "In the case of a qualified future transfer
7	or collectively bargained transfer to which subsection
8	(f) applies, any assets so transferred may also be
9	used to pay liabilities described in subsection
10	(f)(2)(C)."
11	(2) Section $420(f)(2)$ of the 1986 Code is
12	amended by striking "such" before "the applicable"
13	in subparagraph (D)(i)(I).
14	(3) Section $4980(c)(2)(B)$ of the 1986 Code is
15	amended by striking "or" at the end of clause (i),
16	by striking the period at the end of clause (ii) and
17	inserting ", or", and by adding at the end the fol-
18	lowing new clause:
19	"(iii) any transfer described in section
20	420(f)(2)(B)(ii)(II).".
21	(j) Amendments Related to Section 845.—
22	(1) Subsection (l) of section 402 of the 1986
23	Code is amended—
24	(A) in paragraph (1)—

1	(i) by inserting "maintained by the
2	employer described in paragraph (4)(B)"
3	after "an eligible retirement plan", and
4	(ii) by striking "of the employee, his
5	spouse, or dependents (as defined in sec-
6	tion 152)",
7	(B) in paragraph (4)(D), by—
8	(i) inserting "(as defined in section
9	152)" after "dependents", and
10	(ii) striking "health insurance plan"
11	and inserting "health plan", and
12	(C) in paragraph (5)(A), by striking
13	"health insurance plan" and inserting "health
14	plan''.
15	(2) Subparagraph (B) of section 402(l)(3) of
16	the 1986 Code is amended by striking "all amounts
17	distributed from all eligible retirement plans were
18	treated as 1 contract for purposes of determining
19	the inclusion of such distribution under section 72"
20	and inserting "all amounts to the credit of the eligi-
21	ble public safety officer in all eligible retirement
22	plans maintained by the employer described in para-
23	graph (4)(B) were distributed during such taxable
24	year and all such plans were treated as 1 contract
25	for purposes of determining under section 72 the ag-

1	gregate amount which would have been so includ-
2	ible".
3	(k) Amendments Related to Section 854.—
4	(1) Section 3121(b)(5)(E) of the 1986 Code is
5	amended by striking "or special trial judge".
6	(2) Section 210(a)(5)(E) of the Social Security
7	Act is amended by striking "or special trial judge".
8	(l) Amendments Related to Section 856.—Sec-
9	tion 856 of the 2006 Act, and the amendments made by
10	such section, are hereby repealed, and the Internal Rev-
11	enue Code of 1986 shall be applied and administered as
12	if such sections and amendments had not been enacted.
13	(m) Amendment Related to Section 864.—Sec-
14	tion 864(a) of the 2006 Act is amended by striking "Rec-
15	onciliation".
16	SEC. 109. AMENDMENTS RELATED TO TITLE IX.
17	(a) Amendment Related to Section 901.—Sec-
18	tion $401(a)(35)(E)(iv)$ of the 1986 Code is amended to
19	read as follows:
20	"(iv) One-participant retirement
21	PLAN.—For purposes of clause (iii), the
22	term 'one-participant retirement plan'
23	means a retirement plan that on the first
24	day of the plan year—

1	"(I) covered only one individual
2	(or the individual and the individual's
3	spouse) and the individual (or the in-
4	dividual and the individual's spouse)
5	owned 100 percent of the plan spon-
6	sor (whether or not incorporated), or
7	"(II) covered only one or more
8	partners (or partners and their
9	spouses) in the plan sponsor.".
10	(b) Amendments Related to Section 902.—
11	(1) Section $401(k)(13)(D)(i)(I)$ of the 1986
12	Code is amended by striking "such compensation as
13	exceeds 1 percent but does not" and inserting "such
14	contributions as exceed 1 percent but do not".
15	(2) Sections $401(k)(8)(E)$ and $411(a)(3)(G)$ of
16	the 1986 Code are each amended—
17	(A) by striking "an erroneous automatic
18	contribution" and inserting "a permissible with-
19	drawal", and
20	(B) by striking "Erroneous automatic
21	CONTRIBUTION" in the heading and inserting
22	"PERMISSIBLE WITHDRAWAL".
23	(3) Section 402(g)(2)(A)(ii) of the 1986 Code is
24	amended by inserting "through the end of such tax-
25	able year" after "such amount".

1	(4) Section $414(w)(3)$ of the 1986 Code is
2	amended—
3	(A) in subparagraph (B), by inserting
4	"and" after the comma at the end,
5	(B) by striking subparagraph (C), and
6	(C) by redesignating subparagraph (D) as
7	subparagraph (C).
8	(5) Section $414(w)(5)$ of the 1986 Code is
9	amended by striking "and" at the end of subpara-
10	graph (B), by striking the period at the end of sub-
11	paragraph (C) and inserting a comma, and by add-
12	ing at the end the following:
13	"(D) a simplified employee pension the
14	terms of which provide for a salary reduction
15	arrangement described in section $408(k)(6)$,
16	and
17	"(E) a simple retirement account (as de-
18	fined in section 408(p)).".
19	(6) Section $414(w)(6)$ of the 1986 Code is
20	amended by inserting "or for purposes of applying
21	the limitation under section $402(g)(1)$ " before the
22	period at the end.
23	(c) Amendments Related to Section 903.—
24	(1) Amendment of 1986 code.—Section
25	414(x)(1) of the 1986 Code is amended by adding

1	at the end of paragraph (1) the following new sen-
2	tence: "In the case of a termination of the defined
3	benefit plan and the applicable defined contribution
4	plan forming part of an eligible combined plan, the
5	plan administrator shall terminate each such plan
6	separately."
7	(2) Amendments of Erisa.—Section 210(e)
8	of ERISA is amended—
9	(A) by adding at the end of paragraph (1)
10	the following new sentence: "In the case of a
11	termination of the defined benefit plan and the
12	applicable defined contribution plan forming
13	part of an eligible combined plan, the plan ad-
14	ministrator shall terminate each such plan sep-
15	arately.", and
16	(B) by striking paragraph (3) and by re-
17	designating paragraphs (4), (5), and (6) as
18	paragraphs (3), (4), and (5), respectively.
19	(d) Amendments Related to Section 906.—
20	(1) Section 906(b)(1)(B)(ii) of the 2006 Act is
21	amended by striking "paragraph (1)" and inserting
22	"paragraph (10)".
23	(2) Section 4021(b) of ERISA is amended by
24	inserting "or" at the end of paragraph (12), by

1	striking "; or" at the end of paragraph (13) and in-
2	serting a period, and by striking paragraph (14).
3	SEC. 110. AMENDMENTS RELATED TO TITLE X.
4	(a) Amendments to Railroad Retirement
5	Act.—
6	(1) Section 14(b) of the Railroad Retirement
7	Act of 1974 (45 U.S.C. 231m(b)) is amended by
8	adding at the end the following:
9	"(3)(A) Payments made pursuant to paragraph
10	(2) of this subsection shall not require that the em-
11	ployee be entitled to an annuity under section
12	2(a)(1) of this Act: Provided, however, That where
13	an employee is not entitled to such an annuity, pay-
14	ments made pursuant to paragraph (2) may not
15	begin before the month in which the following three
16	conditions are satisfied:
17	"(i) The employee has completed ten years
18	of service in the railroad industry or, five years
19	of service all of which accrues after December
20	31, 1995.
21	"(ii) The spouse or former spouse attains
22	age 62.
23	"(iii) The employee attains age 62 (or if
24	deceased, would have attained age 62).

- "(B) Payments made pursuant to paragraph (2) of this subsection shall terminate upon the death of the spouse or former spouse, unless the court doc-ument provides for termination at an earlier date. Notwithstanding the language in a court order, that portion of payments made pursuant to paragraph (2) which represents payments computed pursuant to section 3(f)(2) of this Act shall not be paid after the death of the employee.
 - "(C) If the employee is not entitled to an annuity under section 2(a)(1) of this Act, payments made pursuant to paragraph (2) of this subsection shall be computed as though the employee were entitled to an annuity.".
 - (2) Subsection (d) of section 5 of the Railroad Retirement Act (45 U.S.C. 231d) is repealed.

(b) Effective Dates.—

(1) Subsection (a)(1).—The amendment made by subsection (a)(1) shall apply with respect to payments due for months after August 2007. If, prior to the effective date of such amendment, payment pursuant to paragraph (2) of section 14(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231m(b)) was terminated because of the employee's

1	death, payment to the former spouse may be rein-
2	stated for months after August 2007.
3	(2) Subsection (a)(2).—The amendment
4	made by subsection (a)(2) shall take effect upon the
5	date of the enactment of this Act.
6	SEC. 111. AMENDMENTS RELATED TO TITLE XI.
7	(a) Amendment Related to Section 1104.—Sec-
8	tion 1104(d)(1) of the 2006 Act is amended by striking
9	"Act" the first place it appears and inserting "section".
10	(b) Amendments Related to Section 1105.—
11	Section 3304(a) of the 1986 Code is amended—
12	(1) in paragraph (15)—
13	(A) by redesignating clauses (i) and (ii) of
14	subparagraph (A) as subclauses (I) and (II),
15	(B) by redesignating subparagraphs (A)
16	and (B) as clauses (i) and (ii),
17	(C) by striking the semicolon at the end of
18	clause (ii) (as so redesignated) and inserting ",
19	and",
20	(D) by striking "(15)" and inserting
21	"(15)(A) subject to subparagraph (B),", and
22	(E) by adding at the end the following:
23	"(B) the amount of compensation shall not
24	be reduced on account of any payments of gov-
25	ernmental or other pensions, retirement or re-

1	tired pay, annuity, or other similar payments
2	which are not includible in the gross income of
3	the individual for the taxable year in which it
4	was paid because it was part of a rollover dis-
5	tribution;", and
6	(2) by striking the last sentence.
7	(c) Amendments Related to Section 1106.—
8	Section 3(37)(G) of ERISA is amended by—
9	(1) striking "paragraph" each place it appears
10	in clauses (ii), (iii), and (v)(I) and inserting "sub-
11	paragraph",
12	(2) striking "subclause (i)(II)" in clause (iii)
13	and inserting "clause (i)(II)",
14	(3) striking "subparagraph" in clause (v)(II)
15	and inserting "clause", and
16	(4) by striking "section 101(b)(4)" in clause
17	(v)(III) and inserting "section 101(b)(1)".
18	SEC. 112. EFFECTIVE DATE.
19	Except as otherwise provided in this subtitle, the
20	amendments made by this subtitle shall take effect as if
21	included in the provisions of the 2006 Act to which the
22	amendments relate.

1 Subtitle B—Other Provisions

- 2 SEC. 121. AMENDMENTS RELATED TO SECTIONS 102 AND
- 3 112 OF THE PENSION PROTECTION ACT OF
- **2006.**
- 5 (a) Amendment of ERISA.—The last sentence of
- 6 section 303(g)(3)(B) of ERISA is amended to read as fol-
- 7 lows: "Any such averaging shall be adjusted for contribu-
- 8 tions, distributions, and expected earnings (as determined
- 9 by the plan's actuary on the basis of an assumed earnings
- 10 rate specified by the actuary but not in excess of the third
- 11 segment rate applicable under subsection (h)(2)(C)(iii)),
- 12 as specified by the Secretary of the Treasury.".
- 13 (b) AMENDMENT OF 1986 CODE.—The last sentence
- 14 of section 430(g)(3)(B) of the 1986 Code is amended to
- 15 read as follows: "Any such averaging shall be adjusted for
- 16 contributions, distributions, and expected earnings (as de-
- 17 termined by the plan's actuary on the basis of an assumed
- 18 earnings rate specified by the actuary but not in excess
- 19 of the third segment rate applicable under subsection
- 20 (h)(2)(C)(iii)), as specified by the Secretary.".
- 21 (c) Effective Date.—The amendments made by
- 22 this section shall take effect as if included in the provisions
- 23 of the 2006 Act to which the amendments relate.

1	SEC. 122. MODIFICATION OF INTEREST RATE ASSUMPTION
2	REQUIRED WITH RESPECT TO CERTAIN
3	SMALL EMPLOYER PLANS.
4	(a) In General.—Subparagraph (E) of section
5	415(b)(2) of the 1986 Code (relating to limitation on cer-
6	tain assumptions) is amended by adding at the end the
7	following new clause:
8	"(vi) In the case of a plan maintained
9	by an eligible employer (as defined in sec-
10	tion $408(p)(2)(C)(i)$, clause (ii) shall be
11	applied without regard to subclause (II)
12	thereof.".
13	(b) Effective Date.—The amendment made by
14	this section shall apply to years beginning after December
15	31, 2007.
16	SEC. 123. DETERMINATION OF MARKET RATE OF RETURN
17	FOR GOVERNMENTAL PLANS.
18	(a) Amendment of ADEA.—Section
19	4(i)(10)(B)(i)(III) of the Age Discrimination in Employ-
20	ment Act of 1967 (29 U.S.C. 623(i)(10)(B)(i)(III)) is
21	amended by adding at the end the following: "In the case
22	of a governmental plan (as defined in the first sentence
23	of section 414(d) of the Internal Revenue Code of 1986),
24	a rate of return or a method of crediting interest estab-
25	lished pursuant to any provision of Federal, State, or local
26	law (including any administrative rule or policy adopted

- 1 in accordance with any such law) shall be treated as a
- 2 market rate of return for purposes of subclause (I) and
- 3 a permissible method of crediting interest for purposes of
- 4 meeting the requirements of subclause (I), except that this
- 5 sentence shall only apply to a rate of return or method
- 6 of crediting interest if such rate or method does not violate
- 7 any other requirement of this Act.".
- 8 (b) Effective Date.—The amendment made by
- 9 this section shall take effect as if included in the provisions
- 10 of the Pension Protection Act of 2006 to which such
- 11 amendment relates.
- 12 SEC. 124. TREATMENT OF CERTAIN REIMBURSEMENTS
- 13 FROM GOVERNMENTAL PLANS FOR MEDICAL
- 14 CARE.
- 15 (a) IN GENERAL.—Section 105 of the 1986 Code (re-
- 16 lating to amounts received under accident and health
- 17 plans) is amended by adding at the end the following new
- 18 subsection:
- 19 "(j) Special Rule for Certain Governmental
- 20 Plans.—
- 21 "(1) In general.—For purposes of subsection
- (b), amounts paid (directly or indirectly) to the tax-
- payer from an accident or health plan described in
- paragraph (2) shall not fail to be excluded from
- 25 gross income solely because such plan, on or before

1	January 1, 2008, provides for reimbursements of
2	health care expenses of a deceased plan participant's
3	beneficiary.
4	"(2) Plan described.—An accident or health
5	plan is described in this paragraph if such plan is
6	funded by a medical trust that is established in con-
7	nection with a public retirement system and that—
8	"(A) has been authorized by a State legis-
9	lature, or
10	"(B) has received a favorable ruling from
11	the Internal Revenue Service that the trust's in-
12	come is not includible in gross income under
13	section 115.".
14	(b) Effective Date.—The amendment made by
15	subsection (a) shall apply to payments before, on, or after
16	the date of the enactment of this Act.
17	SEC. 125. ROLLOVER OF AMOUNTS RECEIVED IN AIRLINE
18	CARRIER BANKRUPTCY TO ROTH IRAS.
19	(a) General Rule.—If a qualified airline employee
20	receives any airline payment amount and transfers any
21	portion of such amount to a Roth IRA within 180 days
22	of receipt of such amount (or, if later, within 180 days
23	of the date of the enactment of this Act), then such
24	amount (to the extent so transferred) shall be treated as
25	a qualified rollover contribution described in section

1	408A(e) of the Internal Revenue Code of 1986, and the
2	limitations described in section 408A(c)(3) of such Code
3	shall not apply to any such transfer.
4	(b) Definitions and Special Rules.—For pur-
5	poses of this section—
6	(1) AIRLINE PAYMENT AMOUNT.—
7	(A) In general.—The term "airline pay-
8	ment amount" means any payment of any
9	money or other property which is payable by a
10	commercial passenger airline carrier to a quali-
11	fied airline employee—
12	(i) under the approval of an order of
13	a Federal bankruptcy court in a case filed
14	after September 11, 2001, and before Jan-
15	uary 1, 2007, and
16	(ii) in respect of the qualified airline
17	employee's interest in a bankruptcy claim
18	against the carrier, any note of the carrier
19	(or amount paid in lieu of a note being
20	issued), or any other fixed obligation of the
21	carrier to pay a lump sum amount.
22	The amount of such payment shall be deter-
23	mined without regard to any requirement to de-
24	duct and withhold tax from such payment
25	under sections 3102(a) and 3402(a).

1	(B) Exception.—An airline payment
2	amount shall not include any amount payable
3	on the basis of the carrier's future earnings or
4	profits.
5	(2) QUALIFIED AIRLINE EMPLOYEE.—The term
6	"qualified airline employee" means an employee or
7	former employee of a commercial passenger airline
8	carrier who was a participant in a defined benefit
9	plan maintained by the carrier which—
10	(A) is a plan described in section 401(a) of
11	the Internal Revenue Code of 1986 which in-
12	cludes a trust exempt from tax under section
13	501(a) of such Code, and
14	(B) was terminated or became subject to
15	the restrictions contained in paragraphs (2) and
16	(3) of section 402(b) of the Pension Protection
17	Act of 2006.
18	(3) Reporting requirements.—If a commer-
19	cial passenger airline carrier pays 1 or more airline
20	payment amounts, the carrier shall, within 90 days
21	of such payment (or, if later, within 90 days of the
22	date of the enactment of this Act), report—
23	(A) to the Secretary of the Treasury, the
24	names of the qualified airline employees to
25	whom such amounts were paid, and

1	(B) to the Secretary and to such employ-
2	ees, the years and the amounts of the pay-
3	ments.
4	Such reports shall be in such form, and contain such
5	additional information, as the Secretary may pre-
6	scribe.
7	(c) Effective Date.—This section shall apply to
8	transfers made after the date of the enactment of this Act
9	with respect to airline payment amounts paid before, on,
10	or after such date.
11	SEC. 126. DETERMINATION OF ASSET VALUE FOR SPECIAL
12	AIRLINE FUNDING RULES.
10	(a) In General.—Section 402(e)(4)(C) of the 2006
13	(a) IN GENERAL.—Section $402(e)(4)(0)$ of the 2000
13 14	Act is amended to read as follows:
14	Act is amended to read as follows:
14 15	Act is amended to read as follows: "(C) the value of plan assets shall be de-
141516	Act is amended to read as follows: "(C) the value of plan assets shall be determined under sections 303(g)(3) of such Act
1415161718	Act is amended to read as follows: $ \begin{tabular}{l} ``(C)$ the value of plan assets shall be determined under sections 303(g)(3) of such Act and 430(g)(3) of such Code.".$
141516171819	Act is amended to read as follows: "(C) the value of plan assets shall be determined under sections 303(g)(3) of such Act and 430(g)(3) of such Code.". (b) Effective Date.—The amendment made by
141516171819	Act is amended to read as follows: "(C) the value of plan assets shall be determined under sections 303(g)(3) of such Act and 430(g)(3) of such Code.". (b) Effective Date.—The amendment made by this section shall apply to plan years beginning after Determined.
14 15 16 17 18 19 20	Act is amended to read as follows: "(C) the value of plan assets shall be determined under sections 303(g)(3) of such Act and 430(g)(3) of such Code.". (b) Effective Date.—The amendment made by this section shall apply to plan years beginning after December 31, 2007.
14 15 16 17 18 19 20 21	Act is amended to read as follows: "(C) the value of plan assets shall be determined under sections 303(g)(3) of such Act and 430(g)(3) of such Code.". (b) Effective Date.—The amendment made by this section shall apply to plan years beginning after December 31, 2007. SEC. 127. MODIFICATION OF PENALTY FOR FAILURE TO

1	(b) Effective Date.—The amendment made by
2	subsection (a) shall apply to returns required to be filed
3	after December 31, 2008.
4	SEC. 128. MODIFICATION OF PENALTY FOR FAILURE TO
5	FILE S CORPORATION RETURNS.
6	(a) In General.—Section 6699(b)(1) of the 1986
7	Code is amended by striking "\$85" and inserting "\$89".
8	(b) Effective Date.—The amendment made by
9	subsection (a) shall apply to returns required to be filed
10	after December 31, 2008.
11	TITLE II—PENSION PROVISIONS
12	RELATING TO ECONOMIC CRISIS
12 13	RELATING TO ECONOMIC CRISIS SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM
13	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM
13 14	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTION RULES FOR CERTAIN RETIRE-
131415	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTION RULES FOR CERTAIN RETIRE- MENT PLANS AND ACCOUNTS. (a) IN GENERAL.—Section 401(a)(9) of the Internal
13 14 15 16 17	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTION RULES FOR CERTAIN RETIRE- MENT PLANS AND ACCOUNTS. (a) IN GENERAL.—Section 401(a)(9) of the Internal
13 14 15 16 17 18	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTION RULES FOR CERTAIN RETIRE- MENT PLANS AND ACCOUNTS. (a) IN GENERAL.—Section 401(a)(9) of the Internal Revenue Code of 1986 (relating to required distributions)
13 14 15 16 17 18	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTION RULES FOR CERTAIN RETIREMENT PLANS AND ACCOUNTS. (a) IN GENERAL.—Section 401(a)(9) of the Internal Revenue Code of 1986 (relating to required distributions) is amended by adding at the end the following new sub-
13 14 15 16 17 18	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTION RULES FOR CERTAIN RETIREMENT PLANS AND ACCOUNTS. (a) IN GENERAL.—Section 401(a)(9) of the Internal Revenue Code of 1986 (relating to required distributions) is amended by adding at the end the following new subparagraph:
13 14 15 16 17 18 19 20	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTION RULES FOR CERTAIN RETIRE- MENT PLANS AND ACCOUNTS. (a) IN GENERAL.—Section 401(a)(9) of the Internal Revenue Code of 1986 (relating to required distributions) is amended by adding at the end the following new subparagraph: "(H) TEMPORARY WAIVER OF MINIMUM
13 14 15 16 17 18 19 20 21	SEC. 201. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTION RULES FOR CERTAIN RETIREMENT PLANS AND ACCOUNTS. (a) IN GENERAL.—Section 401(a)(9) of the Internal Revenue Code of 1986 (relating to required distributions) is amended by adding at the end the following new subparagraph: "(H) Temporary Waiver of Minimum REQUIRED DISTRIBUTION.—

1	"(I) a defined contribution plan
2	which is described in this subsection
3	or in section 403(a) or 403(b),
4	"(II) a defined contribution plan
5	which is an eligible deferred com-
6	pensation plan described in section
7	457(b) but only if such plan is main-
8	tained by an employer described in
9	section $457(e)(1)(A)$, or
10	"(III) an individual retirement
11	plan.
12	"(ii) Special rules regarding
13	WAIVER PERIOD.—For purposes of this
14	paragraph—
15	"(I) the required beginning date
16	with respect to any individual shall be
17	determined without regard to this
18	subparagraph for purposes of applying
19	this paragraph for calendar years
20	after 2009, and
21	"(II) if clause (ii) of subpara-
22	graph (B) applies, the 5-year period
23	described in such clause shall be de-
24	termined without regard to calendar
25	year 2009.".

1	(b) ELIGIBLE ROLLOVER DISTRIBUTIONS.—Section
2	402(c)(4) of the Internal Revenue Code of 1986 (defining
3	eligible rollover distribution) is amended by adding at the
4	end the following new flush sentence:
5	"If all or any portion of a distribution during 2009
6	is treated as an eligible rollover distribution but
7	would not be so treated if the minimum distribution
8	requirements under section 401(a)(9) had applied
9	during 2009, such distribution shall not be treated
10	as an eligible rollover distribution for purposes of
11	section $401(a)(31)$ or $3405(c)$ or subsection (f) of
12	this section.".
13	(e) Effective Dates.—
14	(1) IN GENERAL.—The amendments made by
15	this section shall apply for calendar years beginning
16	after December 31, 2008.
17	(2) Provisions relating to plan or con-
18	TRACT AMENDMENTS.—
19	(A) In general.—If this paragraph ap-
20	plies to any pension plan or contract amend-
21	ment, such pension plan or contract shall not
22	fail to be treated as being operated in accord-
23	ance with the terms of the plan during the pe-
24	riod described in subparagraph (B)(ii) solely be-

1	cause the plan operates in accordance with this
2	section.
3	(B) Amendments to which paragraph
4	APPLIES.—
5	(i) In General.—This paragraph
6	shall apply to any amendment to any pen-
7	sion plan or annuity contract which—
8	(I) is made pursuant to the
9	amendments made by this section,
10	and
11	(II) is made on or before the last
12	day of the first plan year beginning
13	on or after January 1, 2011.
14	In the case of a governmental plan, sub-
15	clause (II) shall be applied by substituting
16	"2012" for "2011".
17	(ii) Conditions.—This paragraph
18	shall not apply to any amendment unless
19	during the period beginning on the effec-
20	tive date of the amendment and ending on
21	December 31, 2009, the plan or contract is
22	operated as if such plan or contract
23	amendment were in effect.

1 SEC. 202. TRANSITION RULE CLARIFICATION.

2	(a) Amendment to ERISA.—Subparagraph (B) of
3	section 303(c)(5) of the Employee Retirement Income Se-
4	curity Act of 1974 (29 U.S.C. 1083(c)(5)) is amended—
5	(1) by striking clause (iii) and redesignating
6	clause (iv) as clause (iii); and
7	(2) by striking clause (i) and inserting the fol-
8	lowing:
9	"(i) In general.—Except as pro-
10	vided in clause (iii), in the case of plan
11	years beginning after 2007 and before
12	2011, only the applicable percentage of the
13	funding target shall be taken into account
14	under paragraph (3)(A) in determining the
15	funding shortfall for purposes of para-
16	graph (3)(A) and subparagraph (A).".
17	(b) Amendment to 1986 Code.—Subparagraph
18	(B) of section 430(c)(5) of the Internal Revenue Code of
19	1986 is amended—
20	(1) by striking clause (iii) and redesignating
21	clause (iv) as clause (iii); and
22	(2) by striking clause (i) and inserting the fol-
23	lowing:
24	"(i) In general.—Except as pro-
25	vided in clause (iii), in the case of plan
26	vears beginning after 2007 and before

1	2011, only the applicable percentage of the
2	funding target shall be taken into account
3	under paragraph (3)(A) in determining the
4	funding shortfall for purposes of para-
5	graph (3)(A) and subparagraph (A).".
6	(c) Effective Date.—The amendments made by
7	subsections (a) and (b) shall apply as if included in the
8	enactment of sections 102 and 112, respectively, of the
9	Pension Protection Act of 2006.
10	SEC. 203. TEMPORARY MODIFICATION OF APPLICATION OF
11	LIMITATION ON BENEFIT ACCRUALS.
12	In the case of the first plan year beginning during
13	the period beginning on October 1, 2008, and ending on
14	September 30, 2009, sections $206(g)(4)(A)$ of the Em-
15	ployee Retirement Income Security Act of 1974 (29
16	U.S.C. $1056(g)(4)(A)$) and $436(e)(1)$ of the Internal Rev-
17	enue Code of 1986 shall be applied by substituting the
18	plan's adjusted funding target attainment percentage for
19	the preceding plan year for such percentage for such plan
20	year.
21	SEC. 204. TEMPORARY DELAY OF DESIGNATION OF MULTI-
22	EMPLOYER PLANS AS IN ENDANGERED OR
23	CRITICAL STATUS.
24	(a) In General.—Notwithstanding the actuarial
25	certification under section 305(b)(3) of the Employee Re-

- 1 tirement Income Security Act of 1974 and section
- 2 432(b)(3) of the Internal Revenue Code of 1986, if a plan
- 3 sponsor of a multiemployer plan elects the application of
- 4 this section, then, for purposes of section 305 of such Act
- 5 and section 432 of such Code—
- 6 (1) the status of the plan for its first plan year 7 beginning during the period beginning on October 1,
- 8 2008, and ending on September 30, 2009, shall be
- 9 the same as the status of such plan under such sec-
- tions for the plan year preceding such plan year, and
- 11 (2) in the case of a plan which was in endan-
- gered or critical status for the preceding plan year
- described in paragraph (1), the plan shall not be re-
- 14 quired to update its plan or schedules under section
- 305(c)(6) of such Act and section 432(c)(6) of such
- 16 Code, or section 305(e)(3)(B) of such Act and sec-
- tion 432(e)(3)(B) of such Code, whichever is appli-
- cable, until the plan year following the first plan
- 19 year described in paragraph (1).
- 20 If section 305 of the Employee Retirement Income Secu-
- 21 rity Act of 1974 and section 432 of the Internal Revenue
- 22 Code of 1986 did not apply to the preceding plan year
- 23 described in paragraph (1), the plan actuary shall make
- 24 a certification of the status of the plan under section
- 25 305(b)(3) of such Act and section 432(b)(3) of such Code

1	for the preceding plan year in the same manner as if such
2	sections had applied to such preceding plan year.
3	(b) Exception for Plans Becoming Critical
4	DURING ELECTION.—If—
5	(1) an election was made under subsection (a)
6	with respect to a multiemployer plan, and
7	(2) such plan has, without regard to such elec-
8	tion, been certified by the plan actuary under section
9	305(b)(3) of such Act and section 432(b)(3) of such
10	Code to be in critical status for the first plan year
11	described in subsection (a)(1),
12	then such plan shall be treated as a plan in critical status
13	for such plan year for purposes of applying section
14	4971(g)(1)(A) of such Code, section $302(b)(3)$ of such
15	Act, and section 412(b)(3) of such Code.
16	(e) Election and Notice.—
17	(1) Election.—An election under subsection
18	(a) shall—
19	(A) be made at such time and in such
20	manner as the Secretary of the Treasury or the
21	Secretary's delegate may prescribe and, once
22	made, may be revoked only with the consent of
23	the Secretary, and
24	(B) if the election is made—

1	(i) before the date the annual certifi-
2	cation is submitted to the Secretary or the
3	Secretary's delegate under section
4	305(b)(3) of such Act and section
5	432(b)(3) of such Code, be included with
6	such annual certification, and
7	(ii) after such date, be submitted to
8	the Secretary or the Secretary's delegate
9	not later than 30 days after the date of the
10	election.
11	(2) Notice to participants.—
12	(A) In general.—Notwithstanding sec-
13	tion 305(b)(3)(D) of such Act and section
14	431(b)(3)(D) of such Code, if the plan is nei-
15	ther in endangered nor critical status by reason
16	of an election made under subsection (a)—
17	(i) the plan sponsor of a multiem-
18	ployer plan shall not be required to provide
19	notice under such sections, and
20	(ii) the plan sponsor shall provide to
21	the participants and beneficiaries, the bar-
22	gaining parties, the Pension Benefit Guar-
23	anty Corporation, and the Secretary of
24	Labor a notice of the election and such

1	other information as the Secretary of
2	Labor may require—
3	(I) if the election is made before
4	the date the annual certification is
5	submitted to the Secretary or the Sec-
6	retary's delegate under section
7	305(b)(3) of such Act and section
8	432(b)(3) of such Code, not later than
9	30 days after the date of the certifi-
10	cation, and
11	(II) if the election is made after
12	such date, not later than 30 days
13	after the date of the election.
14	(B) NOTICE OF ENDANGERED STATUS.—
15	Notwithstanding section 305(b)(3)(D) of such
16	Act and section 431(b)(3)(D) of such Code, if
17	the plan is certified to be in critical status for
18	any plan year but is in endangered status by
19	reason of an election made under subsection
20	(a), the notice provided under such sections
21	shall be the notice which would have been pro-
22	vided if the plan had been certified to be in en-
23	dangered status.

1	SEC. 205. TEMPORARY EXTENSION OF THE FUNDING IM-
2	PROVEMENT AND REHABILITATION PERIODS
3	FOR MULTIEMPLOYER PENSION PLANS IN
4	CRITICAL AND ENDANGERED STATUS FOR
5	2008 OR 2009.
6	(a) In General.—If the plan sponsor of a multiem-
7	ployer plan which is in endangered or critical status for
8	a plan year beginning in 2008 or 2009 (determined after
9	application of section 204) elects the application of this
10	section, then, for purposes of section 305 of the Employee
11	Retirement Income Security Act of 1974 and section 432
12	of the Internal Revenue Code of 1986—
13	(1) except as provided in paragraph (2), the
14	plan's funding improvement period or rehabilitation
15	period, whichever is applicable, shall be 13 years
16	rather than 10 years, and
17	(2) in the case of a plan in seriously endan-
18	gered status, the plan's funding improvement period
19	shall be 18 years rather than 15 years.
20	(b) Definitions and Special Rules.—For pur-
21	poses of this section—
22	(1) Election.—An election under this section
23	shall be made at such time, and in such manner and
24	form, as the Secretary of Labor or the Secretary's
25	delegate may prescribe.

S.L.C.

1	(2) Definitions.—Any term which is used in
2	this section which is also used in section 305 of the
3	Employee Retirement Income Security Act of 1974
4	and section 432 of the Internal Revenue Code of
5	1986 shall have the same meaning as when used in
6	such sections.
7	(c) Effective Date.—This section shall apply to
8	plan years beginning after December 31, 2007.
9	TITLE III—TRIBAL PENSION
10	PLANS
11	SEC. 301. TREATMENT OF CERTAIN PENSION PLANS OF IN-
12	DIAN TRIBAL GOVERNMENTS.
13	(a) Amendment to Internal Revenue Code of
1314	(a) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—The last sentence of section 414(d) of the Internal
14	1986.—The last sentence of section 414(d) of the Internal
141516	1986.—The last sentence of section 414(d) of the Internal Revenue Code of 1986 (definition of governmental plan)
14151617	1986.—The last sentence of section 414(d) of the Internal Revenue Code of 1986 (definition of governmental plan) is amended to read as follows: "The term 'governmental
14151617	1986.—The last sentence of section 414(d) of the Internal Revenue Code of 1986 (definition of governmental plan) is amended to read as follows: "The term 'governmental plan' includes a plan established or maintained for its em-
1415161718	1986.—The last sentence of section 414(d) of the Internal Revenue Code of 1986 (definition of governmental plan) is amended to read as follows: "The term 'governmental plan' includes a plan established or maintained for its employees by an Indian tribal government (as defined in sec-
141516171819	1986.—The last sentence of section 414(d) of the Internal Revenue Code of 1986 (definition of governmental plan) is amended to read as follows: "The term 'governmental plan' includes a plan established or maintained for its employees by an Indian tribal government (as defined in section 7701(a)(40)), a subdivision of an Indian tribal gov-
14 15 16 17 18 19 20	1986.—The last sentence of section 414(d) of the Internal Revenue Code of 1986 (definition of governmental plan) is amended to read as follows: "The term 'governmental plan' includes a plan established or maintained for its employees by an Indian tribal government (as defined in section 7701(a)(40)), a subdivision of an Indian tribal government (determined in accordance with section 7871(d)),
14 15 16 17 18 19 20 21	1986.—The last sentence of section 414(d) of the Internal Revenue Code of 1986 (definition of governmental plan) is amended to read as follows: "The term 'governmental plan' includes a plan established or maintained for its employees by an Indian tribal government (as defined in section 7701(a)(40)), a subdivision of an Indian tribal government (determined in accordance with section 7871(d)), an agency instrumentality (or subdivision) of an Indian

1	(b) Amendments to Employee Retirement In-
2	COME SECURITY ACT OF 1974.—
3	(1) In general.—The last sentence of section
4	3(32) of the Employee Retirement Income Security
5	Act of 1974 (29 U.S.C. 1002(32)) is amended to
6	read as follows: "The term 'governmental plan' in-
7	cludes a plan established or maintained for its em-
8	ployees by an Indian tribal government (as defined
9	in section 7701(a)(40) of the Internal Revenue Code
10	of 1986), a subdivision of an Indian tribal govern-
11	ment (determined in accordance with section
12	7871(d) of such Code), an agency instrumentality
13	(or subdivision) of an Indian tribal government, or
14	an entity established under Federal, State, or tribal
15	law that is wholly owned or controlled by any of the
16	foregoing.".
17	(2) Conforming amendments.—
18	(A) Paragraph (14) of section 4021(b) of
19	such Act (29 U.S.C. 1321(b)(14)) is amended
20	to read as follows:
21	"(14) established or maintained for its employ-
22	ees by an Indian tribal government (as defined in
23	section 7701(a)(40) of the Internal Revenue Code of
24	1986), a subdivision of an Indian tribal government
25	(determined in accordance with section 7871(d) of

1	such Code), an agency instrumentality (or subdivi-
2	sion) of an Indian tribal government, or an entity
3	established under Federal, State, or tribal law that
4	is wholly owned or controlled by any of the fore-
5	going.".
6	(B) Section $4021(b)(2)$ of such Act (29)
7	U.S.C. 1321(b)(2)) is amended by striking "or
8	which is described in the last sentence of sec-
9	tion 3(32)".
10	(c) Effective Date.—The amendments made by
11	this section shall take effect as if included in section 906
12	of the Pension Protection Act of 2006.
13	TITLE IV—EXTENSION OF
14	STIMULUS PROVISIONS
15	SEC. 401. EXTENSION AND MODIFICATION OF SPECIAL AL-
16	LOWANCE FOR CERTAIN PROPERTY AC-
17	QUIRED DURING 2009.
18	(a) Extension.—
19	(1) In General.—Paragraph (2) of section
20	168(k) of the Internal Revenue Code of 1986 is
21	amended—
22	(A) by striking "January 1, 2010" and in-
23	serting "January 1, 2011", and

1	(B) by striking "January 1, 2009" each
2	place it appears and inserting "January 1,
3	2010".
4	(2) Conforming amendments.—
5	(A) The heading for subsection (k) of sec-
6	tion 168 of such Code is amended by striking
7	"January 1, 2009" and inserting "January
8	1, 2010".
9	(B) The heading for clause (ii) of section
10	168(k)(2)(B) of such Code is amended by strik-
11	ing "PRE-JANUARY 1, 2009" and inserting "PRE-
12	JANUARY 1, 2010".
13	(C) Subparagraph (D) of section 168(k)(4)
14	of such Code is amended—
15	(i) by striking "and" at the end of
16	clause (i),
17	(ii) by redesignating clause (ii) as
18	clause (v), and
19	(iii) by inserting after clause (i) the
20	following new clauses:
21	"(ii) 'April 1, 2008' shall be sub-
22	stituted for 'January 1, 2008' in subpara-
23	graph (A)(iii)(I) thereof,

1	"(iii) 'January 1, 2009' shall be sub-
2	stituted for 'January 1, 2010' each place it
3	appears,
4	"(iv) 'January 1, 2010' shall be sub-
5	stituted for 'January 1, 2011' in subpara-
6	graph (A)(iv) thereof, and".
7	(D) Subparagraph (B) of section 168(l)(5)
8	of such Code is amended by striking "January
9	1, 2009" and inserting "January 1, 2010".
10	(E) Subparagraph (B) of section
11	1400N(d)(3) of such Code is amended by strik-
12	ing "January 1, 2009" and inserting "January
13	1, 2010".
14	(3) Effective dates.—
15	(A) In general.—Except as provided in
16	subparagraph (B), the amendments made by
17	this subsection shall apply to property placed in
18	service after December 31, 2008, in taxable
19	years ending after such date.
20	(B) TECHNICAL AMENDMENT.—Section
21	168(k)(4)(D)(ii) of the Internal Revenue Code
22	of 1986, as added by paragraph (2)(C)(iii)
23	shall apply to taxable years ending after March
24	31 2008

1	(b) Inclusion of Films or Videotape as Quali-
2	FIED PROPERTY.—
3	(1) In general.—Section 168(k)(2) of the In-
4	ternal Revenue Code of 1986 is amended by adding
5	at the end the following new subparagraph:
6	"(H) CERTAIN FILMS.—The term 'quali-
7	fied property' includes property—
8	"(i) which is a motion picture film or
9	video tape (within the meaning of sub-
10	section (f)(3)) for which a deduction is al-
11	lowable under section 167(a) without re-
12	gard to this section,
13	"(ii) the original use of which com-
14	mences with the taxpayer after December
15	31, 2008,
16	"(iii) which is—
17	"(I) acquired by the taxpayer
18	after December 31, 2008, and before
19	January 1, 2010, but only if no writ-
20	ten binding contract for the acquisi-
21	tion was in effect before January 1,
22	2009, or
23	"(II) acquired by the taxpayer
24	pursuant to a written binding contract
25	which was entered into after Decem-

1	ber 31, 2008, and before January 1,
2	2010, and
3	"(iv) which is placed in service by the
4	taxpayer before January 1, 2010, or, in
5	the case of property described in subpara-
6	graph (B), before January 1, 2011.".
7	(2) Conforming amendments.—
8	(A) Subclause (I) of section
9	168(k)(2)(B)(i) of such Code is amended by in-
10	serting "or (H)" after "subparagraph (A)".
11	(B) Clause (iii) of section 168(k)(2)(D) of
12	such Code is amended by adding at the end the
13	following new sentence: "For purposes of the
14	preceding sentence, all property described in
15	subparagraph (H) shall be treated as one class
16	of property.".
17	(C) Subparagraph (E) of section 168(k)(2)
18	of such Code is amended by adding at the end
19	the following new clause:
20	"(v) Application to film and vid-
21	EOTAPE PROPERTY.—In the case of prop-
22	erty described in subparagraph (H),
23	clauses (i), (ii), (iii), and (iv) of this sub-
24	paragraph shall be applied—

1	"(I) by substituting 'December
2	31, 2008' for 'December 31, 2007'
3	each place it appears, and
4	"(II) by treating any reference to
5	a clause of subparagraph (A) as a ref-
6	erence to the corresponding clause of
7	subparagraph (H).".
8	(3) Effective date.—The amendments made
9	by this subsection shall apply to property placed in
10	service after December 31, 2008.
11	SEC. 402. TEMPORARY INCREASE IN LIMITATIONS ON EX-
11	
	PENSING OF CERTAIN DEPRECIABLE BUSI-
12 13	
12	PENSING OF CERTAIN DEPRECIABLE BUSI-
12 13	PENSING OF CERTAIN DEPRECIABLE BUSI- NESS ASSETS.
12 13 14	PENSING OF CERTAIN DEPRECIABLE BUSI- NESS ASSETS. (a) IN GENERAL.—Paragraph (7) of section 179(b)
12 13 14 15	PENSING OF CERTAIN DEPRECIABLE BUSI- NESS ASSETS. (a) IN GENERAL.—Paragraph (7) of section 179(b) of the Internal Revenue Code of 1986 is amended—
12 13 14 15 16	PENSING OF CERTAIN DEPRECIABLE BUSI- NESS ASSETS. (a) IN GENERAL.—Paragraph (7) of section 179(b) of the Internal Revenue Code of 1986 is amended— (1) by inserting "AND 2009" after "2008" in the
12 13 14 15 16	PENSING OF CERTAIN DEPRECIABLE BUSI- NESS ASSETS. (a) IN GENERAL.—Paragraph (7) of section 179(b) of the Internal Revenue Code of 1986 is amended— (1) by inserting "AND 2009" after "2008" in the heading, and
12 13 14 15 16 17	PENSING OF CERTAIN DEPRECIABLE BUSI- NESS ASSETS. (a) IN GENERAL.—Paragraph (7) of section 179(b) of the Internal Revenue Code of 1986 is amended— (1) by inserting "AND 2009" after "2008" in the heading, and (2) by inserting "or 2009" after "In the case
12 13 14 15 16 17 18	PENSING OF CERTAIN DEPRECIABLE BUSI- NESS ASSETS. (a) IN GENERAL.—Paragraph (7) of section 179(b) of the Internal Revenue Code of 1986 is amended— (1) by inserting "AND 2009" after "2008" in the heading, and (2) by inserting "or 2009" after "In the case of any taxable year beginning in 2008".