

Pension Benefit Guaranty Corporation

78-25

October 31, 1978

REFERENCE:

[*1] 4021(b)(2) Plans Covered. Government Plans

OPINION:

This is in response to your request for a coverage determination regarding the * * * (the "Plan"). Specifically, you ask whether the Plan is a governmental plan and thus excluded from coverage under Title IV of the Employee Retirement Income Security Act of 1974 (the "Act").

As we understand the facts, the * * * Water Authority (the "Authority") was created by Pennsylvania statute (The Municipal Authorities Act of 1945) as a Municipal Authority with the function of the sale of water for the "water Service Area" of * * * The Board of Directors of the Authority is appointed by the town council of * * * The Authority obtains its operating funds through the assessment of water rates. These funds cover amounts necessary for financing the Plan, including any deficits which may occur upon termination. The subject Plan is maintained by the Authority for its employees.

Such a plan is excluded from Title IV coverage by reason of its being a governmental plan as defined in Section 4021(b)(2) of the Act.

If premium payments have been made to the PBGC, a refund is due. Please submit a request for refund to Chief, Division of Accounting, Pension [*2] Benefit Guaranty Corporation, 2020 K Street, N.W., Washington, D.C. 20006. Include in the request the name of the Plan, its employer identification number and plan number, and enclose a copy of this letter.

We hope this is of assistance.

Henry Rose
General Counsel