



March 31, 2014

Regulatory Affairs Group
Office of the General Counsel
Pension Benefit Guaranty Corporation
1200 K St NW
Washington, DC 20005-4026

RE: RIN 1212-AB13: Multiemployer Plans; Valuation and Notice Requirements

To Whom It May Concern:

On behalf of the U.S. Chamber of Commerce, we submit this letter to the Pension Benefit Guaranty Corporation (PBGC) in response to the proposed rule on multiemployer valuation and notice requirements, which was issued on January 29, 2014.¹ The Chamber supports the proposed changes which will reduce administrative burdens for certain multiemployer pension plans.

The U.S. Chamber of Commerce is the world's largest business federation, representing more than three million businesses and organizations of every size, sector, and region. Besides representing a cross-section of the American business community in terms of number of employees, the Chamber represents a wide management spectrum by type of business and location. Each major classification of American business – manufacturing, retailing, services, construction, wholesaling, and finance – is represented. Also, the Chamber has substantial membership in all 50 states. Positions on national issues are developed by a cross-section of Chamber members serving on committees, subcommittees, and task forces. More than 1,000 business people participate in this process.

The proposed rule aims to alleviate administrative burdens by changing certain reporting requirements for multiemployer pension plans. Specifically, the proposal allows certain small terminated but still solvent plans to provide valuations less frequently; shortens the advance notice filing requirements for mergers in situations that do not involve a compliance determination; and eliminates the requirement for annual notice updates on behalf of insolvent plans. The proposal is made pursuant to the PBGC's regulatory review under Executive Order 13563 (Improving Regulation and Regulatory Review) which specifies that agencies are to "consider how best to promote retrospective analys[es] of rules that may be outmoded, ineffective, insufficient, or excessively burdensome, and to modify, streamline, expand, or repeal them in accordance with what has been learned."²

We applaud the PBGC for this proposal and encourage the agency to finalize the proposed changes. As you are aware, administrative requirements can be a significant burden for

¹ 79 FR 4642, January 29, 2014.

² 76 FR 3821, January 18, 2011.

plan sponsors. Furthermore, as stated in the preamble, these requirements can reduce plan assets that could otherwise be used for benefits – particularly, for plans at or close to insolvency. Therefore, it is critical that administrative requirements be minimized to the extent possible. We believe the proposed rule noticeably reduces certain reporting burdens associated with multiemployer defined benefit plan administration.

The Chamber has long advocated for consolidating and streamlining notice requirements.³ While our concerns generally focus on information required to be provided to participants, information required to be provided to the agencies can be equally overwhelming. Excessive notice requirements can drive up plan administrative costs without providing any material benefit. This proposed rule acknowledges this reality and eliminates notice requirements where the administrative burdens and costs outweigh the usefulness of the information provided. As such, we appreciate the PBGC’s review of these notice requirements and recognition that certain requirements are not furthering the goals of the PBGC or protecting the interests of participants. The Chamber encourages this type of review to be continued within the PBGC and throughout the Administration.

Thank you for your consideration of these comments. The multiemployer defined benefit system covers millions of employees and pays out billions of dollars in pensions; thus, it remains a significant benefit for many workers and retirees. Consequently, any effort by the PBGC to make plan administration and maintenance less burdensome is sincerely appreciated by plan sponsors.

Sincerely,



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U.S. Chamber of Commerce



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³ U.S. Chamber of Commerce, *Private Retirement Benefits in the 21st Century: A Path Forward*, April 2012, <https://www.uschamber.com/private-retirement-benefits-21st-century-path-forward-0>; U.S. Chamber of Commerce comments on RIN 1210-AB20 – Pension Benefit Statements, August 17, 2013, <http://www.dol.gov/ebsa/pdf/1210-AB20-00108.pdf>; US Chamber of Commerce letter supporting the Secure Annuities for Employees (SAFE) Retirement Act of 2013, July 8, 2013, https://www.uschamber.com/sites/default/files/documents/files/SecureRetirementAct_Letter%2520to%2520Hatch.pdf; U.S. Chamber of Commerce testimony before the U.S. Senate Committee on Health, Education, Labor, and Pensions Roundtable Discussion on Pension Modernization for a 21st Century Workforce, September 20, 2012, <http://www.help.senate.gov/imo/media/doc/Wong.pdf>; U.S. Chamber of Commerce comments on a Department of Labor Request for Information re: Electronic Disclosure by Employee Benefit Plans, June 6, 2011, <http://www.dol.gov/ebsa/pdf/1210-AB50-069.pdf>; U.S. Chamber of Commerce comments on RIN 1210-AB18 – Annual Funding Notice for Defined Benefit Plans, January 18, 2011, <http://www.dol.gov/ebsa/pdf/1210-AB18-0006.pdf>.