

Justification for No Material or Nonsubstantive Change to Approved Collection

AGENCY: Pension Benefit Guaranty Corporation (PBGC)
TITLE: Application for Special Financial Assistance (29 CFR part 4262)
STATUS: OMB control number 1212-0074; expires 05/31/2027
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The Pension Benefit Guaranty Corporation (PBGC) is making changes that are not material to the approved instructions and supplementary materials used by multiemployer plans to apply for Special Financial Assistance (SFA) under section 4262 of the Employee Retirement Income Security Act of 1974 (ERISA) and part 4262 of PBGC's regulations. A plan must submit an application to PBGC so that PBGC can review the plan's eligibility for SFA and amount of requested SFA and ensure that the plan has fulfilled the conditions of receipt of SFA.

Under § 4262.6(a) of the SFA regulation, an application for SFA must include specified information, including a completed checklist. The application checklist is used to ensure that the plan's application for SFA is complete. In reviewing SFA applications, PBGC has identified several items that are required under the SFA instructions and that need to be added to the checklist. The addition of these items will assist filers in completing their SFA applications.

These modifications to the checklist merely align the checklist to the instructions and do not impose additional requirements. The modifications will not affect the time or cost burden associated with the application for SFA.

The changes to the checklist are to items 11.c., 34.a., and 35 and are shown below:

11.c.	Section B, Item (9)b. & Item (9)c.	Does the application include full census data (Social Security Number, name, and participant status) of all terminated-vested participants that were included in the SFA projections? Is this information provided in Excel, or in an Excel-compatible format? Or, if this data was submitted in advance of the application, in accordance with Section B, Item (9)c. of the Instructions, does the application contain a description of how the results of PBGC's independent death audit are reflected for SFA calculation purposes?
34.a.	Section E, Item (5)	Does the application include the certification by the plan's enrolled actuary that the requested amount of SFA is the amount to which the plan is entitled under section 4262(j)(1) of ERISA and § 4262.4 of PBGC's SFA regulation? Does this certification include: (i) plan actuary's certification that identifies the requested amount of SFA and certifies that this is the amount to which the plan is entitled?

		<p>(ii) clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?</p> <p>(iii) the count of participants (provided separately, after reflection of the death audit results in Section B(9), for current retirees and beneficiaries, current terminated vested participants not yet in pay status, and current active participants) as of the participant census date?</p> <p>Is the information in Checklist #34.a. combined with #34.b. (if applicable) as a single document, and uploaded using the required filenaming convention?</p>
35.	Section E, Item (6)	<p>Does the application include the plan sponsor's identification of the amount of fair market value of assets at the SFA measurement date and certification that this amount is accurate? Does the application also include:</p> <p>(i) information that substantiates the asset value and how it was developed (e.g., trust or account statements, specific details of any adjustments)?</p> <p>(ii) a reconciliation of the fair market value of assets from the date of the most recent audited plan financial statements to the SFA measurement date (showing beginning and ending fair market value of assets for this period as well as the following items for the period: contributions, withdrawal liability payments, benefits paid, administrative expenses, and investment income)?</p> <p>(iii) if the SFA measurement date is the end of a plan year for which the audited plan financial statements have been issued, does the application include a reconciliation schedule showing adjustments, if any, made to the audited fair market value of assets used to determine the SFA amount?</p> <p>With the exception of account statements and financial statements already provided as Checklist Items #8 and #9, is all information contained in a single document that is uploaded using the required filenaming convention?</p>