

109TH CONGRESS
2^D SESSION

S. 2919

To amend title IV of the Employee Retirement Income Security Act of 1974 to establish a Director of the Pension Benefit Guaranty Corporation and the Internal Revenue Code of 1986 to increase certain penalties, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 22, 2006

Mr. BAUCUS (for himself and Mr. GRASSLEY) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title IV of the Employee Retirement Income Security Act of 1974 to establish a Director of the Pension Benefit Guaranty Corporation and the Internal Revenue Code of 1986 to increase certain penalties, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “PBGC Confirmation
5 Act of 2006”.

1 **SEC. 2. DIRECTOR OF THE PENSION BENEFIT GUARANTY**
2 **CORPORATION.**

3 (a) IN GENERAL.—Title IV of the Employee Retirement
4 Income Security Act of 1974 (29 U.S.C. 1301 et
5 seq.) is amended—

6 (1) by striking the second sentence of section
7 4002(a) and inserting the following: “In carrying
8 out its functions under this title, the corporation
9 shall be administered by a Director, who shall be ap-
10 pointed by and with the advice and consent of the
11 Senate and who shall act in accordance with the
12 policies established by the board.”; and

13 (2) in section 4003(b), by—

14 (A) striking “under this title, any mem-
15 ber” and inserting “under this title, the Direc-
16 tor, any member”; and

17 (B) striking “designated by the chairman”
18 and inserting “designated by the Director or
19 chairman”.

20 (b) COMPENSATION OF DIRECTOR.—Section 5315 of
21 title 5, United States Code, is amended by adding at the
22 end the following new item:

23 “Director, Pension Benefit Guaranty Corporation.”.

24 (c) JURISDICTION OF NOMINATION.—

25 (1) IN GENERAL.—The Committee on Finance
26 of the Senate and the Committee on Health, Edu-

1 cation, Labor, and Pensions of the Senate shall have
2 joint jurisdiction over the nomination of a person
3 nominated by the President to fill the position of Di-
4 rector of the Pension Benefit Guaranty Corporation
5 under section 4002 of the Employee Retirement In-
6 come Security Act of 1974 (29 U.S.C. 1302) (as
7 amended by this Act), and if one committee votes to
8 order reported such a nomination, the other shall re-
9 port within 30 calendar days, or be automatically
10 discharged.

11 (2) RULEMAKING OF THE SENATE.—This sub-
12 section is enacted by Congress—

13 (A) as an exercise of rulemaking power of
14 the Senate, and as such it is deemed a part of
15 the rules of the Senate, but applicable only with
16 respect to the procedure to be followed in the
17 Senate in the case of a nomination described in
18 such sentence, and it supersedes other rules
19 only to the extent that it is inconsistent with
20 such rules; and

21 (B) with full recognition of the constitu-
22 tional right of the Senate to change the rules
23 (so far as relating the procedure of the Senate)
24 at any time, in the same manner and to the

1 same extent as in the case of any other rule of
2 the Senate.

3 (d) TRANSITION.—The term of the individual serving
4 as Executive Director of the Pension Benefit Guaranty
5 Corporation on the date of enactment of this Act shall ex-
6 pire on such date of enactment. Such individual, or any
7 other individual, may serve as interim Director of such
8 Corporation until an individual is appointed as Director
9 of such Corporation under section 4002 of the Employee
10 Retirement Income Security Act of 1974 (29 U.S.C. 1302)
11 (as amended by this Act).

12 **SEC. 3. PENALTY FOR FAILURE TO FILE AN ACTUARIAL RE-**
13 **PORT.**

14 Section 6692 of the Internal Revenue Code of 1986
15 is amended by adding at the end the following: “Beginning
16 with plan years beginning in 2005, in the case of a plan
17 to which section 412(l) applied for a plan year, there shall
18 be assessed, in lieu of the penalty in the preceding sen-
19 tence, a tax equal to 0.1 percent of the plan’s unfunded
20 current liability under section 412(l)(8)(A) for the plan
21 year to which the report relates, but in no case less than
22 \$1,000 or more than \$5,000.”.

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