



BENEFIT NEWS BRIEFS

President Signs Bill Raising PBGC Premiums For Single-Employer And Multiemployer Pension Plans

Bill Also Contains Pension Funding Stabilization For Single-Employer Pension Plans Only

Change to Passwords for "My PAA" PBGC Premium Payment Program

On July 6, the President signed H.R. 4348 into law, a Bill to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit and other programs funded out of the Highway Trust Fund. The Bill also postpones a scheduled increase in student loan interest rates, provides single-employer pension funding stabilization changes and increase both multiemployer and single-employer defined benefit/money purchase plan annual PBGC premiums rates.

The pension funding stabilization changes apply **ONLY** to **single-employer** pension plans.

The **multiemployer** PBGC annual premium is being raised from \$9 per individual to \$12 for each individual for *plan years beginning after December 31, 2012*. Single-employer premiums were also raised.

More information on the PBGC premiums can be found at the PBGC website at <http://www.pbgc.gov/prac/prem/online-premium-filing-with-my-paa.html>.

A copy of the House-Senate Conference Report is available by "[clicking here](#)." The pension funding stabilization language is found at *Section 40211 of the Report (pages 451 – 455)*. The single-employer plan annual premium rates is found at *Section 40221 of the Report (pages 455 – 457)*. The multiemployer annual premium rates is found at *Section 40222 of the Report (page 457)*.

In other news about the PBGC, a change was announced to the "My PAA" passwords. The change is to occur the next time users login to *My PAA* no later than on or after August 1, 2012. *My PAA (My Plan Administration Account)* is the electronic web-based application used to electronically file pension plan premiums and make payments to the PBGC in accordance with PBGC's regulations.

According to the PBGC's announcement, active account holders will receive an email about the change and do not need to rush to change their password. Users may continue to access *My PAA* according to their normal schedule and will be prompted by *My PAA* to change their password at the appropriate time.

The PBGC stated that federal information security regulations require the change:

".....to strengthen the password requirements for My PAA (My Plan Administration Account), which is used by practitioners to electronically file premiums to the PBGC. Stronger passwords will help better protect your personal and business information. The next time you login after the change takes effect (expected no later than August 1, 2012), you will be required to change your password to satisfy the new criteria, e.g., the password must be between 10 and 24 characters and contain at least 1 uppercase character, 1 lowercase character, 1 number and 1 special character." (emphasis added)

Questions about the change can be addressed to the PBGC via email at premiums@pbgc.gov. Account holders can also use the PBGC's toll-free number to call with questions: 1-800-736-2444 and select the "premium" option.

More information about PBGC premium filings and *My PAA* can be found on the PBGC website at: <http://www.pbgc.gov/prac/prem.html>.

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