

Justification

PPA 2006 changed plan funding rules and the related variable-rate premium (VRP) rules. PBGC's reportable events regulation contains provisions — dealing with waivers, extensions, and reporting thresholds — that refer to the funding and VRP rules. PBGC has drafted a proposed rule to amend the regulation to accommodate the changes — that rule is going through the external clearance process — but practitioners need guidance about how to apply the existing regulation before the amendment goes into effect. Technical Update 08-5 provides basically that for purposes of this regulation, a plan's unfunded vested benefits and the value of its assets and vested benefits are determined for a plan year beginning in 2009 in the same manner as for premiums for the preceding plan year. It also provides options for applying the "Form 1 extension" in the existing regulation for plan years beginning in 2009. (Technical Update 07-2 provided reportable events guidance for 2008.)

There is no change in burden or cost of the information collection.