

Justification for No Material or Nonsubstantive Change to Currently-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 01/31/2023

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The Pension Benefit Guaranty Corporation (PBGC) is making changes that are not material to the currently-approved General Instructions for Multiemployer Plans Applying for Special Financial Assistance used by multiemployer plans to apply for Special Financial Assistance (SFA) under section 4262 of the Employee Retirement Income Security Act of 1974 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. These changes are intended only for purposes of clarity and do not add any new burden for filers.

Section B.10 of the instructions requires plans to submit an Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form, form SF 3881, a common form, hosted by the Dept. of the Treasury and approved for PBGC's usage. This form requests information about the plans' financial institutions and bank accounts. PBGC uses this information to effectuate electronic transfers of funds to plans if their SFA applications are approved. To further protect against erroneous transfers, PBGC requires verification of the plan's payment information in the form of a "a notarized signature of the official on bank letterhead." However, the instructions are unclear on the information to include in this letter from the bank official. PBGC proposes to add information to clarify the information required for this letter. The added language to Section B, item 10 on page 6 of the instructions is shown below.

(10) Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form and required notarized bank letter. This ACH form is used to enable the plan to receive electronic transfer of funds, if the SFA application is approved. When transferring funds, PBGC will use ACH process or Fedwire process (preferred) for amounts up to \$100 million (if further information is required for a sub account i.e., "further credit to" a Fedwire is required), and only Fedwire process for amounts over \$100 million. If the plan is requesting SFA in an amount that is over \$100 million, then the filer must confirm the bank's routing number listed on the ACH form for a Fedwire transfer and any other information necessary for the transfer.

In addition to the plan's completed, signed ACH payment form, the plan's bank official must include a notarized bank letter on bank letterhead with signature of the bank official. The banking information in the ACH form must match the notarized bank letter by the bank official. The notarized letter should contain the following information:

- Name and email address of a point of contact at the bank (used for PBGC to confirm receipt of funds);
- Depositor Account Title;
- Name on bank account; i.e., no numerical characters
- Bank routing number;
- Bank account number;
- Any special instructions such as "for further credit instructions"; and
- Indicate if the banking instructions provided can accept ACH, Fedwire, or both payment types.

If a plan closes the bank account that it listed on this form before PBGC transfers the SFA, then the plan must notify PBGC immediately and submit an updated form with notarization.