

Justification for No material/Nonsubstantive Change

The Department of Labor is submitting a no material/non-substantive change request for the Annual Return/Report of Employee Benefit Plan (Form 5500 and Form 5500-SF) (OMB Control Number 1210-0110). As further discussed below, the Department is adding a code which is used to answer an existing question.

The Annual Report regulation, codified at 29 CFR 2520.103 sets forth the information that a plan administrator must file annually with the Department, as well as Treasury and PBGC. The Form 5500 and Form 5500 SF, and related schedules, are the forms which the Department, Treasury (and although not relevant here PBCG), have prescribed for filing the annual report. Section 127 of the “SECURE 2.0 Act of 2022, Division T of the Consolidated Appropriations Act, 2023, H.R. 2617, added ERISA section 801 which provides for pension linked emergency savings accounts and pursuant to ERISA section 803 directs the Department to “prescribe such regulations as may be necessary to address reporting and disclosure requirements for pension linked emergency savings accounts.”

The Department is not proposing to add an additional question to the forms. However, the Department proposes to add a new plan characteristic code identifying a pension linked emergency savings account to the existing list of 57 plan characteristic code options that filers of the Form 5500, Schedule DCG to the Form 5500, and the Form 5500-SF would select to answer an existing question. The new code would apply to plan years 2024 and later.

The change would be non-material because it would require selecting one additional code by administrators of plans that have pension linked emergency savings accounts. These accounts are clearly defined in section 801 of ERISA so that an administrator of such a plan could easily determine that the plan has adopted one. Further, based on conversations with stake holders, it is believed that the number of plans that would be required to enter the code is small.

Below are the questions and the instructions related to the additional code. These will remain unchanged.

Form 5500

Question 8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

Form 5500 Instructions

Line 8. Do not leave blank. Enter all applicable pension plan characteristics codes that applied during the reporting year from the List of Plan Characteristics Codes on pages 22 and 23 that best describe the characteristics of the plan.

Form 5500, Schedule DCG

Question 8 Enter the applicable two-character feature codes from the List of Plan

Characteristics Codes in the instructions.

Form 5500, Schedule DCG Instructions

Line 8. Do not leave blank. Enter all applicable pension plan characteristics codes that applied during the reporting year from the List of Plan Characteristics Codes on pages 22 and 23 that best describe the characteristics of the plan.

Form 5500-SF

Question 9a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

Form 5500-SF Instructions

Line 9 - Benefits Provided Under the Plan. Do not leave blank. In the boxes for line 9a and 9b, as appropriate, enter all applicable two-character plan characteristics codes from the List of Plan Characteristics Codes on pages 22 and 23 that describe the characteristics of the plan being reported.

Below is the code and description that will be added to the list of codes in the instructions in the part of the chart setting forth codes pertaining to “Defined Contribution Pension Features.”

2Y	Pension-linked emergency savings account – A short term savings account established as part of the plan in accordance with ERISA section 801.
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