

Supporting Statement for Paperwork Reduction Act Submission

AGENCY: Pension Benefit Guaranty Corporation

TITLE: Payment of Premiums (29 CFR part 4007)

STATUS: Request for extension with changes of currently-approved collection of information (OMB control number 1212-0009; expires December 31, 2026)

CONTACT: Monica O'Donnell (202-229-5507)

1. Need for collection. Section 4007 of title IV of the Employee Retirement Income Security Act of 1974 (ERISA) requires the Pension Benefit Guaranty Corporation (PBGC) to collect premiums from pension plans covered under title IV pension insurance programs. Pursuant to section 4007, PBGC has issued its regulation on Payment of Premiums (29 CFR part 4007). Under § 4007.3 of the premium payment regulation, plan administrators are required to file premium payments and information prescribed by PBGC (premium-related data and information about plan identity, status, and events).

Premium information is filed electronically using “My Plan Administration Account” (My PAA) through PBGC’s website. Premium filings must be made annually. Under § 4007.10 of the premium payment regulation, plan administrators are required to retain records about premiums and information submitted in premium filings.

Section 4006 of ERISA, implemented by PBGC’s regulation on Premium Rates (29 CFR part 4006), sets premium rates. All plans covered by title IV of ERISA pay a flat-rate per-participant premium. An underfunded single-employer plan also pays a variable-rate premium (VRP) based on the plan’s unfunded vested benefits (UVBs). The VRP is subject to a cap. The

cap on the VRP, and the flat premium rates for both single-employer and multiemployer plans, are adjusted annually for inflation.

On January 21, 2025, PBGC published a proposed rule, Miscellaneous Corrections, Clarifications, and Improvements, which included changes to § 4007.11(d)(2) of the premium payment regulation to revise the due date for the final premium for terminating plans to be the earlier of the normal premium due date or 45 days after the date the post-distribution certification is filed.¹ This change is applicable to plan years beginning on and after January 1, 2026. On August 15, 2025, PBGC published a final rule implementing these changes.² PBGC is modifying the Comprehensive Premium Filing Instructions for 2026 to incorporate the changes in the final rule.

PBGC is making the following changes to the Comprehensive Filing Instructions for 2026:

- Replace references to the 2025 flat premium rates and VRP cap with the amounts applicable for 2026 (Note: The statute provides that these amounts are indexed annually);
- Update due dates and other dates to those relevant for 2026 and re-incorporate the premium filing rules that apply under § 4007.11 of the premium payment regulation. (Note: The due dates for 2025 were generally a month earlier than usual as required by section 502 of the Bipartisan Budget Act of 2015 (Pub. L. No. 114-74, Title V), which superseded the premium filing due date rules under § 4007.11); and
- Revise the “What’s New” section to highlight the changes noted above.

PBGC is requesting that OMB extend approval of the information requirements described above with the proposed changes for an additional 3 years.

¹ 90 FR 6894 (Jan. 21, 2025).

² 90 FR 39320 (Aug. 15, 2025).

2. Use of information.

a. Information required. PBGC's Comprehensive Premium Filing instructions require that plans provide general plan information, such as the plan sponsor information and premium payment year information, along with other more specific information to determine the plan's flat-rate premium and VRP based on the plan's UVBs. A plan may also be required to report miscellaneous information depending on the specific circumstances. For example, if a plan is planning to make its last premium filing, the plan must report that and provide an explanation as to why this is the final filing.

b. Need for information. PBGC uses the information from premium filings to identify the plans for which premiums are paid, to verify whether the amounts paid are correct, to help PBGC determine the magnitude of its exposure in the event of plan termination, to help track the creation of new plans and transfer of participants and plan assets and liabilities among plans, to keep PBGC's insured-plan inventory up to date, to project premium income, to improve financial projections, and to respond to inquiries from other executive agencies and other branches of government. The reported information and the retained records may be used for audit purposes.

3. Reducing the burden and information technology. Electronic filing is required under PBGC's regulations. PBGC provides data entry and editing screens for premium filing through the My PAA electronic application on PBGC's website. In addition, PBGC offers another electronic filing option that allows filers to use private-sector premium-filing-preparation software compatible with My PAA. Filers can create a premium filing and then upload it directly to PBGC via the My PAA application. Filers can pay premiums and receive premium refunds by electronic funds transfer.

4. Identifying duplication. In general, the information required in premium filings is not routinely filed with, and available from, any other Federal Government agency, and there is no similar information that can be used “as is” instead of the information reported in premium filings.

Participant count breakdown

Numbers of retired, terminated vested, and active participants are in the annual report that plans submit using Form 5500, and PBGC is willing to accept numbers determined using the same methodology for assigning participants to one or another category as for Form 5500. However, “participant” is defined differently for premium purposes than for reporting on Form 5500, so that the actual numbers reported on the two forms might be different. Moreover, for Form 5500 and premium filings due at the same time, the participant-count information on the Form 5500 filing is a year older than that on the premium filing. PBGC’s uses for the participant-count breakdown are much better served by getting current data.

VRP data

For small plans that use the look-back rule, the asset values reported on the premium filing are also reported on Form 5500. However, PBGC’s electronic premium-filing system automatically calculates premiums based on input data, and this feature could not work if assets were not reported. And for plans not using the look-back rule, there would be a one-year lag until the Form 5500 figures became available. Using Form 5500 assets data instead of having premium filers report it directly would thus be inconvenient for both filers and PBGC and would save filers little time or effort.

Frozen plan data

“Freezes” can affect a plan in several different ways (for example, by ceasing accrual of benefits or admission of new participants). To predict and address the impact of plan freezes on PBGC’s future premium revenues and net financial position, PBGC needs to know which of the plans that PBGC covers have been affected by freezes and the exact nature of each freeze.

PBGC currently collects freeze information on ERISA section 4010 filings because it needs the information as early as possible for the small group premium filers who are also 4010 filers, and the information is reported in section 4010 filings before it is reported in premium filings. PBGC has considered exempting 4010 filers from reporting this information again in the premium filing but concluded that there would be a control problem if the agency’s premium and 4010 databases were not internally consistent.

Form 5500 collects general information on whether a plan has been frozen, but only for the most severe type of freeze (when all accruals cease for all participants). The Form 5500 data are thus too little and too late for PBGC’s purposes.

Plan transfer data

PBGC’s plan transfer questions ask about transfers *to* and *from* other plans, as well as transfer types (merger, consolidation, or spin-off), to save PBGC (and filers) the administrative burden of determining why plans have failed to file when expected or have filed information inexplicably different from the previous year. Form 5500 collects information about assets and/or liabilities transferred *from* a plan to another plan (or plans) during the plan year, but not data on transfer types or information on which plan received the transfer. Plans must submit information to the Internal Revenue Service about transfers *to* and *from* other plans on Form 5310-A, but only for non-*de minimis* transactions; PBGC needs this information regardless of transaction size. Furthermore, Form 5310-A information is not available to PBGC.

Final filing data

Form 5500 collects general information on whether a plan was terminated in a standard or distress termination; whether PBGC became trustee of a plan; and whether a plan is covered by PBGC. However, the Form 5500 data often does not adequately explain why filings have ceased in cases where plans merge out of existence. In addition, terminated or merged plans often do not submit a final Form 5500, especially when the final plan year is short. Thus, these sources of information on plan disappearances do not adequately satisfy PBGC's need to know why plans have stopped filing. PBGC will contact a plan if it is expecting a premium filing but does not receive one, so it is important that plans inform PBGC of when coverage ceases.

5. Reducing the burden on small entities. Small plans generally use prior-year data to compute the VRP, which means that the VRP and Form 5500 due dates for the same year are aligned. (The flat-rate premium is based on more recent data — the participant count — but the participant count is relatively easy to determine.) First-year filings for most small plans are simplified by a first-year exemption from the VRP.

In addition to the inflation-adjusted cap that applies to all VRP filers, another (generally lower) cap applies to the VRP of certain plans of small employers (those with 25 or fewer employees). Plans that both qualify for the small-employer VRP cap and pay the full amount of the cap do not need to determine or report UVBs.

6. Consequences of less frequent reporting. Since the information collected is essential to proper administration of PBGC's insurance programs, including auditing of premium filings, and to estimate PBGC's future capability to provide guaranteed benefits, failure to collect it would seriously impair PBGC's program operations. Further, the premium payable to PBGC is an annual premium. Therefore, premium filings cannot be made less often than annually.

7. Special circumstances. PBGC requires plan administrators to retain information necessary to support premium filings for six years. The six-year period corresponds to the record retention requirement of title I of ERISA and is needed to ensure that records are available during the statutory limitations period within which PBGC may bring an action to collect premiums.

In unusual circumstances, PBGC may require submission of information in less than 30 days in connection with an audit. This would accommodate a situation where PBGC finds that its interests may be prejudiced by a delay in the receipt of information, such as where collection of unpaid premiums (or associated interest or penalties) would otherwise be jeopardized.

In other respects, this collection of information is conducted in a manner consistent with 5 CFR § 1320.5(d)(2).

8. Outside input. On January 21, 2025, PBGC published a proposed rule, Miscellaneous Corrections, Clarifications, and Improvements, in the Federal Register (90 FR 6894), which includes notice of its intent to request that OMB approve this collection of information and solicited public comment. No comments were received on the amendments requiring changes to this collection of information.

9. Payments and gifts. No payments or gifts were made to respondents in connection with this collection of information.

10. Confidentiality. Confidentiality of information is that afforded by the Freedom of Information Act and the Privacy Act. PBGC's rules that provide and restrict access to its records are set forth in 29 CFR parts 4901 and 4902, respectively.

11. Personal questions. This collection of information does not call for submission of information of a personal nature.

12. Hour burden on the public. PBGC estimates that it will receive 29,288 premium filings per year over the next 3 years. PBGC further estimates that the average burden of this collection of information will be 26 minutes per plan, with a total annual burden of 12,691 hours (26 minutes x 29,288 filings / 60 minutes). The estimated dollar equivalent of this hour burden, based on an assumed blended average hourly rate of \$75 for administrative, clerical, and supervisory time, is \$951,825.

13. Cost burden on the public. PBGC estimates that for each year over the next 3 years, each filer will spend an average of \$692 in contractor costs, meaning attorney and actuary fees, to prepare a premium filing. The estimated total cost burden is \$20,267,296 (\$692 x 29,288 filings).

14. Costs to federal government. PBGC estimates that the annual cost to the federal government is \$8.75 million.

15. Change in burden. In the final rule published August 15, 2025, PBGC stated that the 2026 Comprehensive Premium Filing Instructions will be updated to reflect that due date for the final premium for terminating plans to be the earlier of the normal premium due date or 45 days after the date the post-distribution certification is filed. This change does not create additional filing burden. Subsequently, PBGC determined that there will be a decrease in the expected number of premium filings for calendar years 2026-2028 from 31,303 filings to 29,288 filings each year. The decrease in the expected number of filings results in a decrease in the estimated annual hour burden from 13,565 hours to 12,691 hours and annual cost burden from \$21,661,676 to \$20,267,296.

16. Publication plans. There are no plans for tabulation or publication.

17. Display of expiration date. PBGC is not seeking approval to avoid displaying the expiration date for OMB approval of this information collection.

18. Exceptions to certification statement. There are no exceptions to the certification statement.