

SEC. 8101. INCREASES IN PBGC PREMIUMS.

(a) Flat-Rate Premiums-

(1) SINGLE-EMPLOYER PLANS-

(A) IN GENERAL- Clause (i) of section 4006(a)(3)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(A)) is amended by striking '\$19' and inserting '\$30'.

(B) ADJUSTMENT FOR INFLATION- Section 4006(a)(3) of such Act (29 U.S.C. 1306(a)(3)) is amended by adding at the end the following new subparagraph:

(F) For each plan year beginning in a calendar year after 2006, there shall be substituted for the premium rate specified in clause (i) of subparagraph (A) an amount equal to the greater of--

(i) the product derived by multiplying the premium rate specified in clause (i) of subparagraph (A) by the ratio of--

(I) the national average wage index (as defined in section 209(k)(1) of the Social Security Act) for the first of the 2 calendar years preceding the calendar year in which such plan year begins, to

(II) the national average wage index (as so defined) for 2004; and

(ii) the premium rate in effect under clause (i) of subparagraph (A) for plan years beginning in the preceding calendar year.

If the amount determined under this subparagraph is not a multiple of \$1, such product shall be rounded to the nearest multiple of \$1.'

(2) MULTIEmployer PLANS-

(A) IN GENERAL- Section 4006(a)(3)(A) of such Act (29 U.S.C. 1306(a)(3)(A)) is amended--

(i) in clause (iii)--

(I) by inserting 'and before January 1, 2006,' after 'Act of 1980,'; and

(II) by striking the period at the end and inserting ', or'; and

(ii) by adding at the end the following:

(iv) in the case of a multiemployer plan, for plan years beginning after December 31, 2005, \$8.00 for each individual who is a participant in such plan during the applicable plan year.'

(B) ADJUSTMENT FOR INFLATION- Section 4006(a)(3) of such Act (29 U.S.C. 1306(a)(3)), as amended by this subsection, is amended by adding at the end the following new subparagraph:

(G) For each plan year beginning in a calendar year after 2006, there shall be substituted for the premium rate specified in clause (iv) of subparagraph (A) an amount equal to the greater of--

(i) the product derived by multiplying the premium rate specified in clause (iv) of subparagraph (A) by the ratio of--

(I) the national average wage index (as defined in section 209(k)(1) of the Social Security Act) for the first of the 2 calendar

years preceding the calendar year in which such plan year begins,
to

- `(II) the national average wage index (as so defined) for 2004; and
- `(ii) the premium rate in effect under clause (iv) of subparagraph (A) for plan years beginning in the preceding calendar year.

If the amount determined under this subparagraph is not a multiple of \$1, such product shall be rounded to the nearest multiple of \$1.'

(b) Premium Rate for Certain Terminated Single-Employer Plans- Subsection (a) of section 4006 of such Act (29 U.S.C. 1306) is amended by adding at the end the following:

`(7) Premium Rate for Certain Terminated Single-Employer Plans-

`(A) IN GENERAL- If there is a termination of a single-employer plan under clause (ii) or (iii) of section 4041(c)(2)(B) or section 4042, there shall be payable to the corporation, with respect to each applicable 12-month period, a premium at a rate equal to \$1,250 multiplied by the number of individuals who were participants in the plan immediately before the termination date. Such premium shall be in addition to any other premium under this section.

`(B) SPECIAL RULE FOR PLANS TERMINATED IN BANKRUPTCY REORGANIZATION- In the case of a single-employer plan terminated under section 4041(c)(2)(B)(ii) or under section 4042 during pendency of any bankruptcy reorganization proceeding under chapter 11 of title 11, United States Code, or under any similar law of a State or a political subdivision of a State (or a case described in section 4041(c)(2)(B)(i) filed by or against such person has been converted, as of such date, to such a case in which reorganization is sought), subparagraph (A) shall not apply to such plan until the date of the discharge or dismissal of such person in such case.

`(C) APPLICABLE 12-MONTH PERIOD- For purposes of subparagraph (A)--

`(i) IN GENERAL- The term 'applicable 12-month period' means-

`(I) the 12-month period beginning with the first month following the month in which the termination date occurs, and

`(II) each of the first two 12-month periods immediately following the period described in subclause (I).

`(ii) PLANS TERMINATED IN BANKRUPTCY

REORGANIZATION- In any case in which the requirements of subparagraph (B)(i)(I) are met in connection with the termination of the plan with respect to 1 or more persons described in such subparagraph, the 12-month period described in clause (i)(I) shall be the 12-month period beginning with the first month following the month which includes the earliest date as of which each such person is discharged or dismissed in the case described in such clause in connection with such person.

`(D) COORDINATION WITH SECTION 4007-

`(i) Notwithstanding section 4007--

`(I) premiums under this paragraph shall be due within 30 days after the beginning of any applicable 12-month period, and

`(II) the designated payor shall be the person who is the contributing sponsor as of immediately before the termination date.

`(ii) The fifth sentence of section 4007(a) shall not apply in connection with premiums determined under this paragraph.

`(E) TERMINATION- Subparagraph (A) shall not apply with respect to any plan terminated after December 31, 2010.'.

(c) Conforming Amendment- Section 4006(a)(3)(B) of such Act (29 U.S.C. 1306(a)(3)(B)) is amended by striking `subparagraph (A)(iii)' and inserting `clause (iii) or (iv) of subparagraph (A)'.

(d) Effective Dates-

(1) IN GENERAL- Except as otherwise provided in this subsection, the amendments made by this section shall apply to plan years beginning after December 31, 2005.

(2) PREMIUM RATE FOR CERTAIN TERMINATED SINGLE-EMPLOYER PLANS-

(A) IN GENERAL- Except as provided in subparagraph (B), the amendment made by subsection (b) shall apply to plans terminated after December 31, 2005.

(B) SPECIAL RULE FOR PLANS TERMINATED IN BANKRUPTCY- The amendment made by subsection (b) shall not apply to a termination of a single-employer plan that is terminated during the pendency of any bankruptcy reorganization proceeding under chapter 11 of title 11, United States Code (or under any similar law of a State or political subdivision of a State), if the proceeding is pursuant to a bankruptcy filing occurring before October 18, 2005.