

**AMENDMENT TO**  
**RULES COMMITTEE PRINT 118-13**  
**OFFERED BY MS. TENNEY OF NEW YORK**

At the end of the bill (before the short title), insert the following:

1 **SEC. \_\_\_\_ . GUARANTEED BENEFIT CALCULATION FOR CER-**  
2 **TAIN PLANS.**

3 (a) IN GENERAL.—

4 (1) INCREASE TO FULL VESTED PLAN BEN-  
5 EFIT.—

6 (A) IN GENERAL.—For purposes of deter-  
7 mining what benefits are guaranteed under sec-  
8 tion 4022 of the Employee Retirement Income  
9 Security Act of 1974 (in this section referred to  
10 as “ERISA”) with respect to an eligible partici-  
11 pant or beneficiary under a covered plan speci-  
12 fied in paragraph (4) in connection with the  
13 termination of such plan, the amount of month-  
14 ly benefits shall be equal to the full vested plan  
15 benefit with respect to the participant.

16 (B) NO EFFECT ON PREVIOUS DETER-  
17 MINATIONS.—Nothing in this Act shall be con-  
18 strued to change the allocation of assets and re-

1 covers under sections 4044(a) and 4022(c) of  
2 ERISA as previously determined by the Pension  
3 Benefit Guaranty Corporation (in the section  
4 referred to as the “corporation”) for the cov-  
5 ered plans specified in paragraph (4), and the  
6 corporation’s applicable rules, practices, and  
7 policies on benefits payable in terminated sin-  
8 gle-employer plans shall, except as otherwise  
9 provided in this section, continue to apply with  
10 respect to such covered plans.

11 (2) RECALCULATION OF CERTAIN BENEFITS.—

12 (A) IN GENERAL.—In any case in which  
13 the amount of monthly benefits with respect to  
14 an eligible participant or beneficiary described  
15 in paragraph (1) was calculated prior to the  
16 date of enactment of this Act, the corporation  
17 shall recalculate such amount pursuant to para-  
18 graph (1), and shall adjust any subsequent pay-  
19 ments of such monthly benefits accordingly, as  
20 soon as practicable after such date.

21 (B) LUMP-SUM PAYMENTS OF PAST-DUE  
22 BENEFITS.—Not later than 180 days after the  
23 date of enactment of this Act, the corporation,  
24 in consultation with the Secretary of the Treas-  
25 ury and the Secretary of Labor, shall make a

1 lump-sum payment to each eligible participant  
2 or beneficiary whose guaranteed benefits are re-  
3 calculated under subparagraph (A) in an  
4 amount equal to—

5 (i) in the case of an eligible partici-  
6 pant, the excess of—

7 (I) the total of the full vested  
8 plan benefits of the participant for all  
9 months for which such guaranteed  
10 benefits were paid prior to such recal-  
11 culation, over

12 (II) the sum of any applicable  
13 payments made to the eligible partici-  
14 pant; and

15 (ii) in the case of an eligible bene-  
16 ficiary, the sum of—

17 (I) the amount that would be de-  
18 termined under clause (i) with respect  
19 to the participant of which the eligible  
20 beneficiary is a beneficiary if such  
21 participant were still in pay status;  
22 plus

23 (II) the excess of—

24 (aa) the total of the full  
25 vested plan benefits of the eligi-

1 ble beneficiary for all months for  
2 which such guaranteed benefits  
3 were paid prior to such recalcula-  
4 tion, over

5 (bb) the sum of any applica-  
6 ble payments made to the eligible  
7 beneficiary.

8 Notwithstanding the previous sen-  
9 tence, the corporation shall increase  
10 each lump-sum payment made under  
11 this subparagraph to account for fore-  
12 gone interest in an amount deter-  
13 mined by the corporation designed to  
14 reflect a 6 percent annual interest  
15 rate on each past-due amount attrib-  
16 utable to the underpayment of guar-  
17 anteed benefits for each month prior  
18 to such recalculation.

19 (C) ELIGIBLE PARTICIPANTS AND BENE-  
20 FICIARIES.—

21 (i) IN GENERAL.—For purposes of  
22 this section, an eligible participant or bene-  
23 ficiary is a participant or beneficiary  
24 who—

1 (I) as of the date of the enact-  
2 ment of this Act, is in pay status  
3 under a covered plan or is eligible for  
4 future payments under such plan;

5 (II) has received or will receive  
6 applicable payments in connection  
7 with such plan (within the meaning of  
8 clause (ii)) that does not exceed the  
9 full vested plan benefits of such par-  
10 ticipant or beneficiary; and

11 (III) is not covered by the 1999  
12 agreements between General Motors  
13 and various unions providing a top-up  
14 benefit to certain hourly employees  
15 who were transferred from the Gen-  
16 eral Motors Hourly-Rate Employees  
17 Pension Plan to the Delphi Hourly-  
18 Rate Employees Pension Plan.

19 (ii) APPLICABLE PAYMENTS.—For  
20 purposes of this paragraph, applicable pay-  
21 ments to a participant or beneficiary in  
22 connection with a plan consist of the fol-  
23 lowing:

1 (I) Payments under the plan  
2 equal to the normal benefit guarantee  
3 of the participant or beneficiary.

4 (II) Payments to the participant  
5 or beneficiary made pursuant to sec-  
6 tion 4022(c) or otherwise received  
7 from the corporation in connection  
8 with the termination of the plan.

9 (3) DEFINITIONS.—For purposes of this sub-  
10 section—

11 (A) FULL VESTED PLAN BENEFIT.—The  
12 term “full vested plan benefit” means the  
13 amount of monthly benefits that would be guar-  
14 anteed under section 4022 of ERISA as of the  
15 date of plan termination with respect to an eli-  
16 gible participant or beneficiary if such section  
17 were applied without regard to the phase-in  
18 limit in subsection (b)(1) of such Act and the  
19 maximum guaranteed benefit limitation in sub-  
20 section (b)(3) of such Act (including the ac-  
21 crued-at-normal limitation).

22 (B) NORMAL BENEFIT GUARANTEE.—The  
23 term “normal benefit guarantee” means the  
24 amount of monthly benefits guaranteed under

1           such section with respect to an eligible partici-  
2           pant or beneficiary without regard to this Act.

3           (4) COVERED PLANS.—The covered plans speci-  
4           fied in this paragraph are the following:

5                   (A) The Delphi Hourly-Rate Employees  
6           Pension Plan.

7                   (B) The Delphi Retirement Program for  
8           Salaried Employees.

9                   (C) The PHI Non-Bargaining Retirement  
10          Plan.

11                  (D) The ASEC Manufacturing Retirement  
12          Program.

13                  (E) The PHI Bargaining Retirement Plan.

14                  (F) The Delphi Mechatronic Systems Re-  
15          tirement Program.

16           (5) TREATMENT OF PBGC DETERMINATIONS.—  
17          Any determination made by the corporation under  
18          this section concerning a recalculation of benefits or  
19          lump-sum payment of past-due benefits shall be sub-  
20          ject to administrative review by the corporation. Any  
21          new determination made by the corporation under  
22          this section shall be governed by the same adminis-  
23          trative review process as any other benefit deter-  
24          mination by the corporation.

1 (b) TRUST FUND FOR PAYMENT OF INCREASED  
2 BENEFITS.—

3 (1) ESTABLISHMENT.—There is established in  
4 the Treasury of the United States a trust fund to  
5 be known as the “Delphi Full Vested Plan Benefit  
6 Trust Fund” (hereafter in this subsection referred  
7 to as the “Fund”), consisting of such amounts as  
8 may be appropriated or credited to the Fund as pro-  
9 vided in this section.

10 (2) FUNDING.—There is appropriated from the  
11 general fund such amounts as are necessary for the  
12 costs of the payment of the portion of monthly bene-  
13 fits guaranteed to a participant or beneficiary pursu-  
14 ant to subsection (a) and for necessary administra-  
15 tive and operating expenses of the corporation relat-  
16 ing to such payment. The Fund shall be credited  
17 with amounts from time to time as the Secretary of  
18 the Treasury, in conjunction with the Director of the  
19 corporation, determines appropriate, from the gen-  
20 eral fund of the Treasury.

21 (3) EXPENDITURES FROM FUND.—Amounts in  
22 the Fund shall be available for the payment of the  
23 portion of monthly benefits guaranteed to a partici-  
24 pant or beneficiary pursuant to subsection (a) and



1 for necessary administrative and operating expenses  
2 of the corporation relating to such payment.

3 (c) REGULATIONS.—The corporation, in consultation  
4 with the Secretary of the Treasury and the Secretary of  
5 Labor, may issue such regulations as necessary to carry  
6 out this section.

7 (d) TAX TREATMENT OF LUMP-SUM PAYMENTS.—

8 (1) IN GENERAL.—Unless the taxpayer elects  
9 (at such time and in such manner as the Secretary  
10 may provide) to have this paragraph not apply with  
11 respect to any lump-sum payment under subsection  
12 (a)(2)(B), the amount of such payment shall be in-  
13 cluded in the taxpayer's gross income ratably over  
14 the 3-taxable-year period beginning with the taxable  
15 year in which such payment is received.

16 (2) SPECIAL RULES RELATED TO DEATH.—

17 (A) IN GENERAL.—If the taxpayer dies be-  
18 fore the end of the 3-taxable-year period de-  
19 scribed in paragraph (1), any amount to which  
20 paragraph (1) applies which has not been in-  
21 cluded in gross income for a taxable year end-  
22 ing before the taxable year in which such death  
23 occurs shall be included in gross income for  
24 such taxable year.

1 (B) SPECIAL ELECTION FOR SURVIVING  
2 SPOUSES OF ELIGIBLE PARTICIPANTS.—If—

3 (i) a taxpayer with respect to whom  
4 paragraph (1) applies dies,

5 (ii) such taxpayer is an eligible partic-  
6 ipant,

7 (iii) the surviving spouse of such eligi-  
8 ble participant is entitled to a survivor  
9 benefit from the corporation with respect  
10 to such eligible participant, and

11 (iv) such surviving spouse elects (at  
12 such time and in such manner as the Sec-  
13 retary may provide) the application of this  
14 subparagraph,

15 subparagraph (A) shall not apply and any  
16 amount which would have (but for such tax-  
17 payer's death) been included in the gross in-  
18 come of such taxpayer under paragraph (1) for  
19 any taxable year beginning after the date of  
20 such death shall be included in the gross in-  
21 come of such surviving spouse for the taxable  
22 year of such surviving spouse ending with or  
23 within such taxable year of the taxpayer.

