

Federal Update 2003-17

September 15, 2003

TO: NCTR Members

FROM: Cindie Moore, Washington Counsel

RE: Senate Pension Bill and NCTR Portability Study

SENATE PENSION BILL

Hi everyone. We will likely see a Senate pension bill today or tomorrow. The bill may contain relief for NCTR members on the Minimum Distribution Rules, purchase of service credit, and possibly some other items. The bill could come before the Committee as early as Wednesday. I'll keep you posted.

While the provisions of interest to NCTR members are narrow items for governmental plans only, the bill is expected to contain major provisions for private plans: 1) such plans would have to take into account the age of their workforce when computing pension liabilities; 2) they would have to comply with post-Enron notice provisions (I understand that governmental plans will be exempt from the notice because they already provide similar notices); and 3) private plans could provide investment advice under certain circumstances. Please note that all of this information is subject to change.