

Pension Benefit Guaranty Corporation

77-126

February 3, 1977

REFERENCE:

[*1] 4021(b)(2) Plans Covered. Government Plans

OPINION:

This is in response to your request for a determination of the coverage status under Title IV of the Employee Retirement Income Security Act of 1974 (the "Act") of * * * (the "Plan"). Specifically, you inquire whether the Plan is a governmental plan and thereby excluded from Title IV coverage under Section 4021(b)(2) of the Act.

As we understand the facts, the Plan is required to be maintained pursuant to a contract between * * * and the United States Energy Research and Development Administration (ERDA). All funding of the Plan is an "allowable expense" under the contract and is provided solely by the United States Government through ERDA. Furthermore, ERDA is contractually required to pay any benefit entitlements under the Plan, including, in the event of a termination, benefits that would be insured under Title IV of the Act. Such a plan is a governmental plan as defined in Section 4021(b)(2) of the Act and thus is excluded from Title IV coverage. A refund of premium payments paid to the PBGC will be made shortly.

We hope this is of assistance.

Henry Rose
General Counsel