

## **Congress Passes Worker, Retiree and Employer Recovery Act**

Late on Dec. 11, the Senate approved H.R. 7327, the "Worker, Retiree and Employer Recovery Act" (the Pension Act) by unanimous consent. The bill was passed by the House on Dec. 10 by unanimous consent, so the measure is cleared for the President's signature.

The Pension Act suspends the need to take required minimum distributions from qualified defined contribution plans and IRAs for calendar year 2009 only, and provides much needed funding relief for pension plans that have seen assets fall precipitously due to the stock market decline. Additionally, the Pension Act makes many technical corrections to the Pension Protection Act of 2008 (PPA), including changes that will require qualified plans to offer nonspouse beneficiaries the option to transfer a decedent's plan interest to an IRA set up to receive the transfer on behalf of the beneficiary. This change for nonspouse beneficiaries will apply for plan years beginning after 2009.