

Human Resources Legislative Update

Federally Regulated DB Pension Plans Given Temporary Relief as a Result of COVID-19

Date: April 15, 2020

On April 15, 2020, the [federal government announced](#) that, effective immediately, it is providing temporary relief to sponsors of federally regulated defined benefit (DB) pension plans, in light of the pandemic's negative effect on the economy and the resulting financial constraints faced by many sponsors.

For the remainder of 2020, there will be a moratorium on solvency payment requirements for DB plans.

The government also stated it will be consulting with stakeholders to explore options to provide relief on 2021 funding obligations which may be necessary as a result of the ongoing impact of the pandemic on the assets and liabilities of plans, and its effect on their solvency funding obligations.