



BULLETIN NUMBER:	PENS 19-001
TITLE:	Updated Extension of Solvency Deficiency Payment Period
LEGISLATION:	Pension Benefits Standards Regulation
DATE:	FEBRUARY 2019

PURPOSE

The Government of British Columbia has amended the Pension Benefits Standards Regulation (Regulation) to continue the solvency relief made available under Schedule 8 of the Regulation (Schedule 8) (The order in Council can be found on our [Regulation page](#) of the website).

BACKGROUND INFORMATION

In 2016, Schedule 8 amended the Regulation to allow pension plans with review dates falling on or after December 31, 2015 and before January 1, 2018 to consolidate all existing solvency deficiencies and to amortize the new solvency deficiency over a period not exceeding 10 years.

WHAT'S NEW

The amendments to Schedule 8 apply to review dates falling on or after December 31, 2018 and before January 1, 2021 as follows:

- for pension plans that have not previously elected solvency relief under Schedule 8, the option to elect relief is extended, they will also be eligible to consolidate their solvency deficiencies up to the date of the review;
- for pension plans that have already made an election under Schedule 8, an election for relief may be made in respect of any **new** solvency deficiency, but it is important to note that a further consolidation of all existing solvency deficiencies is **not** permitted;
- to further clarify, any new solvency deficiency determined in a subsequent valuation by a plan that has already made an election under Schedule 8 may be amortized over a period not exceeding ten years; and
- any election under Schedule 8 in respect of review dates falling on or after December 31, 2018 and before January 1, 2021 may be made only once.

MORE INFORMATION

If you have any questions, please contact the Office of the Superintendent of Pensions at Pensions@ficombc.ca or by phone at 604.660.3555.

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