Withdrawal Liability

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ERISA contains very complex legal rules when a contributing employer to a multiemployer DB plan "withdraws" from such a plan. In certain instances, such an employer can be subject to "withdrawal liability." In addition, there are special rules which govern "partial withdrawals" and "free looks" for those employers in the building and construction trade. If there is a withdrawal by a contributing employer for which withdrawal liability can be assessed, it is the duty of the multiemployer DB plan's trustees to: (i) determine the employer's portion of the plan's overall withdrawal liability; (ii) notify the employer of the withdrawal liability amount; and (iii) collect that amount from the employer with ERISA's time frames. Our attorneys have significant experience in advising trustees in all aspects of withdrawal liability matters.