

[20452001]



But the agency viewed the creation of the new plans as an abuse of federal pension law and an attempt to transfer the liability of the \$ 2.3 billion shortfall from LTV to federal insurance .

[20452014]

The agency also concluded that LTV 's financial status had improved while it was under reorganization .

[20452015]

In September 1987 , it ordered LTV to reassume liability and funding for the three original plans .

[20452016]

LTV challenged the order , and a federal district court in New York in June 1988 ruled that the agency improperly ordered LTV to reassume responsibility for the plans .

[20452017]

In May , a federal appeals court in New York agreed that the agency acted unlawfully .

[20452018]

The appeals court said there was no evidence that Congress intended to allow the pension agency to consider a company 's creation of new benefit plans as a basis for ordering that company to reassume liability for old plans .

[20452019]

The appeals court also said the agency had to consider a company 's long-term ability to fund pension plans , not just short-term improved financial status .

[20452020]

In Dallas , LTV said that it was disappointed that the court agreed to hear the case because it believes the move will further delay its Chapter 11 proceedings .

[20452021]

The company has n't been able to come up with a reorganization plan , in part , because of the sizable disagreement with the pension agency .

[20452022]

But LTV , a steel , aerospace and energy concern , said it is confident that the Supreme Court will uphold the lower-court decisions and said it expects to continue discussions with the agency about a settlement while the case is being reviewed .

[20452023]

( Pension Benefit Guaranty Corp. vs. LTV Corp .