Requiring installation of better bilge pumps and alarms,

Installing underwater LED lights that activate automatically in emergencies, and

Complying with other Coast Guard boating safety requirements.

These basic safety requirements will help save lives and prevent future tragedies.

I hope my colleagues will join me in supporting today's bill to make commonsense corrections to the persistent safety problems facing duck boats. If we act today, we can help ensure that no other family has to suffer the kind of tragedy faced by my constituents on Table Rock Lake. I urge the House to support this bill.

Mrs. LURIA. Madam Speaker, I come from a coastal district in Virginia, and the responsibilities and duties of the Coast Guard are integral to our everyday activities.

While I will vote to support the Don Young Coast Guard Authorization Act for all these reasons, I must express my concerns with language that was added to the bill in committee that makes significant modifications to crewing aboard the important and unique vessels that do the work lifting turbines on our growing and important offshore wind farms including a new project in development off the coast of Virginia.

This provision assumes that the United States presently has a sufficient number of vessels and mariners to perform this work. But as a recent report from DoE just states, we need 3–5 of these vessels and hundreds of skilled workers but unfortunately we currently lack them.

The proposed crewing changes—which go into effect immediately—would block the progress Virginia and other states along the Atlantic coast are making to produce clean energy and reduce the negative impacts of climate change.

I'm willing to continue working with the Members of the Transportation and Infrastructure Committee on a reliable crewing scheme that protects our national interests while ensuring that vital energy work can be done. This is not the right time to make this immediate and drastic change in the law.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. DEFAZIO) that the House suspend the rules and pass the bill, H.R. 6865, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. ROY. Madam Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3(s) of House Resolution 8, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

PERMISSION TO EXTEND DEBATE TIME ON H.R. 2954, SECURING A STRONG RETIREMENT ACT OF 2022

Mr. NEAL. Madam Speaker, I ask unanimous consent at the outset that debate under clause 1(c) of rule XV on a motion to suspend the rules relating to H.R. 2954 be extended to 80 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SECURING A STRONG RETIREMENT ACT OF 2022

Mr. NEAL. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2954) to increase retirement savings, simplify and clarify retirement plan rules, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Securing a Strong Retirement Act of 2022''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—EXPANDING COVERAGE AND INCREASING RETIREMENT SAVINGS

SEC. 101. EXPANDING AUTOMATIC ENROLLMENT IN RETIREMENT PLANS.

(a) IN GENERAL.—Subpart B of part I of subchapter D of chapter 1 of the Internal

Revenue Code of 1986 is amended by inserting after section 414 the following new section:

"SEC. 414A. REQUIREMENTS RELATED TO AUTOMATIC ENROLLMENT.

''(a) IN GENERAL.—Except as otherwise provided in this section—

''(1) an arrangement shall not be treated as a qualified cash or deferred arrangement described in section 401(k) unless such arrangement meets the automatic enrollment requirements of subsection (b), and

''(2) an annuity contract otherwise described in section 403(b)(1) which is purchased under a salary reduction agreement shall not be treated as described in such section unless such agreement meets the automatic enrollment requirements of subsection (b).

''(b) AUTOMATIC ENROLLMENT REQUIREMENTS.—

''(1) IN GENERAL.—An arrangement or agreement meets the requirements of this subsection if such arrangement or agreement is an eligible automatic contribution arrangement (as defined in section 414(w)(3)) which meets the requirements of paragraphs (2) through (4).

''(2) ALLOWANCE OF PERMISSIBLE WITHDRAWALS.—An eligible automatic contribution arrangement meets the requirements of this paragraph if such arrangement allows employees to make permissible withdrawals (as defined in section 414(w)(2)).

''(3) MINIMUM CONTRIBUTION PERCENTAGE.—

''(A) IN GENERAL.—An eligible automatic contribution arrangement meets the requirements of this paragraph if—

''(i) the uniform percentage of compensation contributed by the participant under such arrangement during the first year of participation is not less than 3 percent and not more than 10 percent (unless the participant specifically elects not to have such contributions made or to have such contributions made at a different percentage), and

''(ii) effective for the first day of each plan year starting after each completed year of participation under such arrangement such uniform percentage is increased by 1 percentage point (to at least 10 percent, but not more than 15 percent) unless the participant specifically elects not to have such contributions made or to have such contributions made at a different percentage.

''(B) INITIAL REDUCED CEILING FOR CERTAIN PLANS.—In the case of any eligible automatic contribution arrangement (other than an arrangement that meets the requirements of paragraph (12) or (13) of section 401(k)), for plan years ending before January 1, 2025, subparagraph (A)(ii) shall be applied by substituting '10 percent' for '15 percent'.

''(4) INVESTMENT REQUIREMENTS.—An eligible automatic contribution arrangement meets the requirements of this paragraph if amounts contributed pursuant to such arrangement, and for which no investment is elected by the participant, are invested in accordance with the requirements of section 2550.404c-5 of title 29, Code of Federal Regulations (or any successor regulations).

''(c) EXCEPTIONS.—For purposes of this section—

''(1) SIMPLE PLANS.—Subsection (a) shall not apply to any simple plan (within the meaning of section 401(k)(11)).

''(2) EXCEPTION FOR PLANS OR ARRANGEMENTS ESTABLISHED BEFORE ENACTMENT OF SECTION.—

''(A) IN GENERAL.—Subsection (a) shall not apply to—

''(i) any qualified cash or deferred arrangement established before the date of the enactment of this section, or

''(ii) any annuity contract purchased under a plan established before the date of the enactment of this section.

''(B) POST-ENACTMENT ADOPTION OF MULTIPLE EMPLOYER PLAN.—Subparagraph (A) shall not apply in the case of an employer adopting after such date of enactment a plan maintained by more than one employer, and subsection (a) shall apply with respect to such employer as if such plan were a single plan.

''(3) EXCEPTION FOR GOVERNMENTAL AND CHURCH PLANS.—Subsection (a) shall not apply to any governmental plan (within the meaning of section 414(d)) or any church plan (within the meaning of section 414(e)).

''(4) EXCEPTION FOR NEW AND SMALL BUSINESSES.—

''(A) NEW BUSINESS.—Subsection (a) shall not apply to any qualified cash or deferred arrangement, or any annuity contract purchased under a plan, while the employer maintaining such plan (and any predecessor employer) has been in existence for less than 3 years.

''(B) SMALL BUSINESSES.—Subsection (a) shall not apply to any qualified cash or deferred arrangement, or any annuity contract purchased under a plan, earlier than the date that is 1 year after the close of the first taxable year with respect to which the employer maintaining the plan normally employed more than 10 employees.

''(C) TREATMENT OF MULTIPLE EMPLOYER PLANS.—In the case of a plan maintained by more than 1 employer, subparagraphs (A) and (B) shall be applied separately with respect to each such employer, and all such employers to which subsection (a) applies (after the application of this paragraph) shall be treated as maintaining a separate plan for purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart B of part I of subchapter D of chapter 1 of such Code is amended by inserting after the item relating to section 414 the following new item:

''Sec. 414A. Requirements related to automatic enrollment.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2023.

SEC. 102. MODIFICATION OF CREDIT FOR SMALL EMPLOYER PENSION PLAN STARTUP COSTS.

(a) INCREASE IN CREDIT PERCENTAGE FOR SMALLER EMPLOYERS.—Section 45E(e) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(4) INCREASED CREDIT FOR CERTAIN SMALL EMPLOYERS.—In the case of an employer which would be an eligible employer under subsection (c) if section 408(p)(2)(C)(i) was applied by substituting '50 employees' for '100 employees', subsection (a) shall be applied by substituting '100 percent' for '50 percent'.''.

(b) ADDITIONAL CREDIT FOR EMPLOYER CONTRIBUTIONS BY CERTAIN SMALL EMPLOYERS.—Section 45E of such Code, as amended by subsection (a), is amended by adding at the end the following new subsection:

''(f) ADDITIONAL CREDIT FOR EMPLOYER CONTRIBUTIONS BY CERTAIN ELIGIBLE EMPLOYERS.—

''(1) IN GENERAL.—In the case of an eligible employer, the credit allowed for the taxable year under subsection (a) (determined without regard to this subsection) shall be increased by an amount equal to the applicable percentage of employer contributions (other than any elective deferrals (as defined in section 402(g)(3)) by the employer to an eligible employer plan (other than a defined benefit plan (as defined in section 414(j))).

''(2) LIMITATIONS.—

''(A) DOLLAR LIMITATION.—The amount determined under paragraph (1) (before the application of subparagraph (B)) with respect to any employee of the employer shall not exceed $1,000.

''(B) CREDIT PHASE-IN.—In the case of any eligible employer which had for the preceding taxable year more than 50 employees, the amount determined under paragraph (1) (without regard to this subparagraph) shall be reduced by an amount equal to the product of—

''(i) the amount otherwise so determined under paragraph (1), multiplied by

''(ii) a percentage equal to 2 percentage points for each employee of the employer for the preceding taxable year in excess of 50 employees.

''(3) APPLICABLE PERCENTAGE.—For purposes of this section, the applicable percentage for the taxable year during which the eligible employer plan is established with respect to the eligible employer shall be 100 percent, and for taxable years thereafter shall be determined under the following table:

"In the case of the following taxable year beginning after the taxable year during which plan is established with respect to the eligible employer:	**The applicable percentage shall be:**
1st	100%
2nd	75%
3rd	50%
4th	25%
Any taxable year thereafter	0%

''(4) DETERMINATION OF ELIGIBLE EMPLOYER; NUMBER OF EMPLOYEES.—For purposes of this subsection, whether an employer is an eligible employer and the number of employees of an employer shall be determined under the rules of subsection (c), except that paragraph (2) thereof shall only apply to the taxable year during which the eligible employer plan to which this section applies is established with respect to the eligible employer.''.

(c) DISALLOWANCE OF DEDUCTION.—Section 45E(e)(2) of such Code is amended to read as follows:

''(2) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowed—

''(A) for that portion of the qualified start-up costs paid or incurred for the taxable year which is equal to so much of the portion of the credit determined under subsection (a) as is properly allocable to such costs, and

''(B) for that portion of the employer contributions by the employer for the taxable year which is equal to so much of the credit increase determined under subsection (f) as is properly allocable to such contributions.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2022.

SEC. 103. PROMOTION OF SAVER'S CREDIT.

(a) IN GENERAL.—The Secretary of the Treasury shall take such steps as the Secretary determines are necessary and appropriate to increase public awareness of the credit provided under section 25B of the Internal Revenue Code of 1986.

(b) REPORT TO CONGRESS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall provide a report to Congress to summarize the anticipated promotion efforts of the Treasury under subsection (a).

(2) CONTENTS.—Such report shall include—

(A) a description of plans for—

(i) the development and distribution of digital and print materials, including the distribution of such materials to States for participants in State facilitated retirement savings programs, and

(ii) the translation of such materials into the 10 most commonly spoken languages in the United States after English (as determined by reference to the most recent American Community Survey of the Bureau of the Census), and

(B) such other information as the Secretary determines is necessary

SEC. 104. ENHANCEMENT OF SAVER'S CREDIT.

(a) 50 PERCENT CREDIT RATE.—Section 25B(a) of the Internal Revenue Code of 1986 is amended by striking ''the applicable percentage'' and inserting ''50 percent''.

(b) ADJUSTED GROSS INCOME PHASEOUTS.—Section 25B(b) of such Code is amended to read as follows:

''(b) LIMITATION.—For purposes of this section—

''(1) IN GENERAL.—The amount of credit allowable under subsection (a) (determined without regard to this subsection) shall be reduced (but not below zero) by an amount which bears the same ratio to the credit otherwise so allowable as—

''(A) the excess (if any) of—

''(i) adjusted gross income of the taxpayer, over

''(ii) the threshold amount, bears to

''(B) the phaseout amount.

''(2) THRESHOLD AMOUNT.—The term 'threshold amount' means—

''(A) in the case of a joint return or a surviving spouse (as defined in section 2(a)), $48,000,

''(B) in the case of a head of household, 75 percent of the amount in effect for the taxable year under subparagraph (A), and

''(C) in the case of any other individual, 50 percent of the amount in effect for the taxable year under subparagraph (A).

''(3) PHASEOUT AMOUNT.—The term 'phaseout amount' means—

''(A) in the case of a joint return or a surviving spouse (as defined in 2(a)), $35,000,

''(B) in the case of a head of household (as defined in section 2(b)), 75 percent of the amount in effect for the taxable year under subparagraph (A), and

''(C) in the case of any other individual, 50 percent of the amount in effect for the taxable year under subparagraph (A).

''(4) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2026, the $48,000 dollar amount in paragraph (2) and the $35,000 in paragraph (3) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2022' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(B) ROUNDING.—Any increase determined under subparagraph (A) that is not a multiple of $500 shall be rounded to the nearest multiple of $500.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2026.

SEC. 105. ENHANCEMENT OF 403(b) PLANS.

(a) IN GENERAL.—Section 403(b)(7)(A) of the Internal Revenue Code of 1986 is amended by striking ''if the amounts are to be invested in regulated investment company stock to be held in that custodial account'' and inserting ''if the amounts are to be held in that custodial account and invested in regulated investment company stock or a group trust intended to satisfy the requirements of Internal Revenue Service Revenue Ruling 81–100 (or any successor guidance)''.

(b) CONFORMING AMENDMENT.—The heading of paragraph (7) of section 403(b) of such Code is amended by striking ''FOR REGULATED INVESTMENT COMPANY STOCK''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts invested after December 31, 2022.

SEC. 106. INCREASE IN AGE FOR REQUIRED BEGINNING DATE FOR MANDATORY DISTRIBUTIONS.

(a) IN GENERAL.—Section 401(a)(9)(C)(i)(I) of the Internal Revenue Code of 1986 is amended by striking ''age 72'' and inserting ''the applicable age''.

(b) SPOUSE BENEFICIARIES; SPECIAL RULE FOR OWNERS.—Subparagraphs (B)(iv)(I) and (C)(ii)(I) of section 401(a)(9) of such Code are each amended by striking ''age 72'' and inserting ''the applicable age''.

(c) APPLICABLE AGE.—Section 401(a)(9)(C) of such Code is amended by adding at the end the following new clause:

''(v) APPLICABLE AGE.—

''(I) In the case of an individual who attains age 72 after December 31, 2022, and age 73 before January 1, 2030, the applicable age is 73.

''(II) In the case of an individual who attains age 73 after December 31, 2029, and age 74 before January 1, 2033, the applicable age is 74.

''(III) In the case of an individual who attains age 74 after December 31, 2032, the applicable age is 75.''.

(d) CONFORMING AMENDMENTS.—The last sentence of section 408(b) of such Code is amended by striking ''age 72'' and inserting ''the applicable age (determined under section 401(a)(9)(C)(v) for the calendar year in which such taxable year begins)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions required to be made after December 31, 2022, with respect to individuals who attain age 72 after such date.

SEC. 107. INDEXING IRA CATCH-UP LIMIT.

(a) IN GENERAL.—Subparagraph (C) of section 219(b)(5) of the Internal Revenue Code of 1986 is amended by adding at the end the following new clause:

''(iii) INDEXING OF CATCH-UP LIMITATION.—In the case of any taxable year beginning in a calendar year after 2023, the $1,000 amount under subparagraph (B)(ii) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2022' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

If any amount after adjustment under the preceding sentence is not a multiple of $100, such amount shall be rounded to the next lower multiple of $100.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2023.

SEC. 108. HIGHER CATCH-UP LIMIT TO APPLY AT AGE 62, 63, AND 64.

(a) IN GENERAL.—

(1) PLANS OTHER THAN SIMPLE PLANS.—Section 414(v)(2)(B)(i) of the Internal Revenue Code of 1986 is amended by inserting the following before the period: ''($10,000, in the case of an eligible participant who would attain age 62, but not age 65, before the close of the taxable year)''.

(2) SIMPLE PLANS.—Section 414(v)(2)(B)(ii) of such Code is amended by inserting the following before the period: ''($5,000, in the case of an eligible participant who would attain age 62, but not age 65, before the close of the taxable year)''.

(b) COST-OF-LIVING ADJUSTMENTS.—Subparagraph (C) of section 414(v)(2) of such Code is amended by adding at the end the following: ''In the case of a year beginning after December 31, 2023, the Secretary shall adjust annually the $10,000 amount in subparagraph (B)(i) and the $5,000 amount in subparagraph (B)(ii) for increases in the cost-of-living at the same time and in the same manner as adjustments under the preceding sentence; except that the base period taken into account shall be the calendar quarter beginning July 1, 2022.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2023.

SEC. 109. POOLED EMPLOYER PLANS MODIFICATION.

(a) IN GENERAL.—Section 3(43)(B)(ii) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(43)(B)(ii)) is amended to read as follows:

''(ii) designate a named fiduciary (other than an employer in the plan) to be responsible for collecting contributions to the plan and require such fiduciary to implement written contribution collection procedures that are reasonable, diligent, and systematic;''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2022.

SEC. 110. MULTIPLE EMPLOYER 403(b) PLANS.

(a) IN GENERAL.—Section 403(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(15) MULTIPLE EMPLOYER PLANS.—

''(A) IN GENERAL.—Except in the case of a church plan, this subsection shall not be treated as failing to apply to an annuity contract solely by reason of such contract being purchased under a plan maintained by more than 1 employer.

''(B) TREATMENT OF EMPLOYERS FAILING TO MEET REQUIREMENTS OF PLAN.—

''(i) IN GENERAL.—In the case of a plan maintained by more than 1 employer, this subsection shall not be treated as failing to apply to an annuity contract held under such plan merely because of one or more employers failing to meet the requirements of this subsection if such plan satisfies rules similar to the rules of section 413(e)(2) with respect to any such employer failure.

''(ii) ADDITIONAL REQUIREMENTS IN CASE OF NON-GOVERNMENTAL PLANS.—A plan shall not be treated as meeting the requirements of this subparagraph unless the plan satisfies rules similar to the rules of subparagraph (A) or (B) of section 413(e)(1), except in the case of a multiple employer plan maintained solely by any of the following: A State, a political subdivision of a State, or an agency or instrumentality of any one or more of the foregoing.''.

(b) ANNUAL REGISTRATION FOR 403(b) MULTIPLE EMPLOYER PLAN.—Section 6057 of such Code is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) 403(b) MULTIPLE EMPLOYER PLANS TREATED AS ONE PLAN.—In the case of annuity contracts to which this section applies and to which section 403(b) applies by reason of the plan under which such contracts are purchased meeting the requirements of paragraph (15) thereof, such plan shall be treated as a single plan for purposes of this section.''.

(c) ANNUAL INFORMATION RETURNS FOR 403(b) MULTIPLE EMPLOYER PLAN.—Section 6058 of such Code is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) 403(b) MULTIPLE EMPLOYER PLANS TREATED AS ONE PLAN.—In the case of annuity contracts to which this section applies and to which section 403(b) applies by reason of the plan under which such contracts are purchased meeting the requirements of paragraph (15) thereof, such plan shall be treated as a single plan for purposes of this section.''.

(d) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Section 3(43)(A) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in clause (ii), by striking ''section 501(a) of such Code or'' and inserting ''section 501(a) of such Code, a plan that consists of contracts described in section 403(b) of such Code, or''; and

(B) in the flush text at the end, by striking ''the plan.'' and inserting ''the plan, but such term shall include any program (other than a governmental plan) maintained for the benefit of the employees of more than 1 employer that consists of contracts described in section 403(b) of such Code and that meets the requirements of subparagraph (A) or (B) of section 413(e)(1) of such Code.''.

(2) CONFORMING AMENDMENTS.—Sections 3(43)(B)(v)(II) and 3(44)(A)(i)(I) of the Employee Retirement Income Security Act of 1974 are each amended by striking ''section 401(a) of such Code or'' and inserting ''section 401(a) of such Code, a plan that consists of contracts described in section 403(b) of such Code, or''.

(e) REGULATIONS RELATING TO EMPLOYER FAILURE TO MEET MULTIPLE EMPLOYER PLAN REQUIREMENTS.—The Secretary of the Treasury (or the Secretary's delegate) shall prescribe such regulations as may be necessary to clarify, in the case of plans to which section 403(b)(15) of the Internal Revenue Code of 1986 applies, the treatment of an employer departing such plan in connection with such employer's failure to meet multiple employer plan requirements.

(f) MODIFICATION OF MODEL PLAN LANGUAGE, ETC.—

(1) PLAN NOTIFICATIONS.—The Secretary of the Treasury (or the Secretary's delegate) shall modify the model plan language published under section 413(e)(5) of the Internal Revenue Code of 1986 to include language that notifies participating employers described in section 501(c)(3), and which are exempt from tax under section 501(a), that the plan is subject to the Employee Retirement Income Security Act of 1974 and that such employer is a plan sponsor with respect to its employees participating in the multiple employer plan and, as such, has certain fiduciary duties with respect to the plan and to its employees.

(2) MODEL PLANS FOR MULTIPLE EMPLOYER 403(b) NON-GOVERNMENTAL PLANS.—For plans to which section 403(b)(15)(A) of the Internal Revenue Code of 1986 applies (other than a plan maintained for its employees by a State, a political subdivision of a State, or an agency or instrumentality of any one or more of the foregoing), the Secretary of the Treasury shall publish model plan language similar to model plan language published under section 413(e)(5) of such Code.

(3) EDUCATIONAL OUTREACH TO EMPLOYERS EXEMPT FROM TAX.—The Secretary of the Treasury (or the Secretary's delegate) shall provide education and outreach to increase awareness to employers described in section 501(c)(3) of the Internal Revenue Code of 1986, and which are exempt from tax under section 501(a) of such Code, that multiple employer plans are subject to the Employee Retirement Income Security Act of 1974 and that such employer is a plan sponsor with respect to its employees participating in the multiple employer plan and, as such, has certain fiduciary duties with respect to the plan and to its employees.

(g) NO INFERENCE WITH RESPECT TO CHURCH PLANS.—Regarding any application of section 403(b) of the Internal Revenue Code of 1986 to an annuity contract purchased under a church plan (as defined in section 414(e) of such Code) maintained by more than 1 employer, or to any application of rules similar to section 413(e) of such Code to such a plan, no inference shall be made from section 403(b)(15)(A) of such Code (as added by this Act) not applying to such plans.

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2022.

(2) RULE OF CONSTRUCTION.—Nothing in the amendments made by subsection (a) shall be construed as limiting the authority of the Secretary of the Treasury or the Secretary's delegate (determined without regard to such amendment) to provide for the proper treatment of a failure to meet any requirement applicable under the Internal Revenue Code of 1986 with respect to one employer (and its employees) in the case of a plan to which section 403(b)(15) of the Internal Revenue Code of 1986 applies.

SEC. 111. TREATMENT OF STUDENT LOAN PAYMENTS AS ELECTIVE DEFERRALS FOR PURPOSES OF MATCHING CONTRIBUTIONS.

(a) IN GENERAL.—Section 401(m)(4)(A) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting '', and'', and by adding at the end the following new clause:

''(iii) subject to the requirements of paragraph (13), any employer contribution made to a defined contribution plan on behalf of an employee on account of a qualified student loan payment.''.

(b) QUALIFIED STUDENT LOAN PAYMENT.—Section 401(m)(4) of such Code is amended by adding at the end the following new subparagraph:

''(D) QUALIFIED STUDENT LOAN PAYMENT.—The term 'qualified student loan payment' means a payment made by an employee in repayment of a qualified education loan (as defined section 221(d)(1)) incurred by the employee to pay qualified higher education expenses, but only—

''(i) to the extent such payments in the aggregate for the year do not exceed an amount equal to—

''(I) the limitation applicable under section 402(g) for the year (or, if lesser, the employee's compensation (as defined in section 415(c)(3)) for the year), reduced by

''(II) the elective deferrals made by the employee for such year, and

''(ii) if the employee certifies to the employer making the matching contribution under this paragraph that such payment has been made on such loan.

For purposes of this subparagraph, the term 'qualified higher education expenses' means the cost of attendance (as defined in section 472 of the Higher Education Act of 1965, as in effect on the day before the date of the enactment of the Taxpayer Relief Act of 1997) at an eligible educational institution (as defined in section 221(d)(2)).''.

(c) MATCHING CONTRIBUTIONS FOR QUALIFIED STUDENT LOAN PAYMENTS.—Section 401(m) of such Code is amended by redesignating paragraph (13) as paragraph (14), and by inserting after paragraph (12) the following new paragraph:

''(13) MATCHING CONTRIBUTIONS FOR QUALIFIED STUDENT LOAN PAYMENTS.—

''(A) IN GENERAL.—For purposes of paragraph (4)(A)(iii), an employer contribution made to a defined contribution plan on account of a qualified student loan payment shall be treated as a matching contribution for purposes of this title if—

''(i) the plan provides matching contributions on account of elective deferrals at the same rate as contributions on account of qualified student loan payments,

''(ii) the plan provides matching contributions on account of qualified student loan payments only on behalf of employees otherwise eligible to receive matching contributions on account of elective deferrals,

''(iii) under the plan, all employees eligible to receive matching contributions on account of elective deferrals are eligible to receive matching contributions on account of qualified student loan payments, and

''(iv) the plan provides that matching contributions on account of qualified student loan payments vest in the same manner as matching contributions on account of elective deferrals.

''(B) TREATMENT FOR PURPOSES OF NONDISCRIMINATION RULES, ETC.—

''(i) NONDISCRIMINATION RULES.—For purposes of subparagraph (A)(iii), subsection (a)(4), and section 410(b), matching contributions described in paragraph (4)(A)(iii) shall not fail to be treated as available to an employee solely because such employee does not have debt incurred under a qualified education loan (as defined in section 221(d)(1)).

''(ii) STUDENT LOAN PAYMENTS NOT TREATED AS PLAN CONTRIBUTION.—Except as provided in clause (iii), a qualified student loan payment shall not be treated as a contribution to a plan under this title.

''(iii) MATCHING CONTRIBUTION RULES.—Solely for purposes of meeting the requirements of paragraph (11)(B) or (12) of this subsection, or paragraph (11)(B)(i)(II), (12)(B), or (13)(D) of subsection (k), a plan may treat a qualified student loan payment as an elective deferral or an elective contribution, whichever is applicable.

''(iv) ACTUAL DEFERRAL PERCENTAGE TESTING.—In determining whether a plan meets the requirements of subsection (k)(3)(A)(ii) for a plan year, the plan may apply the requirements of such subsection separately with respect to all employees who receive matching contributions described in paragraph (4)(A)(iii) for the plan year.

''(C) EMPLOYER MAY RELY ON EMPLOYEE CERTIFICATION.—The employer may rely on an employee certification of payment under paragraph (4)(D)(ii).''.

(d) SIMPLE RETIREMENT ACCOUNTS.—Section 408(p)(2) of such Code is amended by adding at the end the following new subparagraph:

''(F) MATCHING CONTRIBUTIONS FOR QUALIFIED STUDENT LOAN PAYMENTS.—

''(i) IN GENERAL.—Subject to the rules of clause (iii), an arrangement shall not fail to be treated as meeting the requirements of subparagraph (A)(iii) solely because under the arrangement, solely for purposes of such subparagraph, qualified student loan payments are treated as amounts elected by the employee under subparagraph (A)(i)(I) to the extent such payments do not exceed—

''(I) the applicable dollar amount under subparagraph (E) (after application of section 414(v)) for the year (or, if lesser, the employee's compensation (as defined in section 415(c)(3)) for the year), reduced by

''(II) any other amounts elected by the employee under subparagraph (A)(i)(I) for the year.

''(ii) QUALIFIED STUDENT LOAN PAYMENT.—For purposes of this subparagraph—

''(I) IN GENERAL.—The term 'qualified student loan payment' means a payment made by an employee in repayment of a qualified education loan (as defined in section 221(d)(1)) incurred by the employee to pay qualified higher education expenses, but only if the employee certifies to the employer making the matching contribution that such payment has been made on such a loan.

''(II) QUALIFIED HIGHER EDUCATION EXPENSES.—The term 'qualified higher education expenses' has the same meaning as when used in section 401(m)(4)(D).

''(iii) APPLICABLE RULES.—Clause (i) shall apply to an arrangement only if, under the arrangement—

''(I) matching contributions on account of qualified student loan payments are provided only on behalf of employees otherwise eligible to elect contributions under subparagraph (A)(i)(I), and

''(II) all employees otherwise eligible to participate in the arrangement are eligible to receive matching contributions on account of qualified student loan payments.''.

(e) 403(b) PLANS.—Section 403(b)(12)(A) of such Code is amended by adding at the end the following: ''The fact that the employer offers matching contributions on account of qualified student loan payments as described in section 401(m)(13) shall not be taken into account in determining whether the arrangement satisfies the requirements of clause (ii) (and any regulation thereunder).''.

(f) 457(b) PLANS.—Section 457(b) of such Code is amended by adding at the end the following: ''A plan which is established and maintained by an employer which is described in subsection (e)(1)(A) shall not be treated as failing to meet the requirements of this subsection solely because the plan, or another plan maintained by the employer which meets the requirements of section 401(a) or 403(b), provides for matching contributions on account of qualified student loan payments as described in section 401(m)(13).''.

(g) REGULATORY AUTHORITY.—The Secretary shall prescribe regulations for purposes of implementing the amendments made by this section, including regulations—

(1) permitting a plan to make matching contributions for qualified student loan payments, as defined in sections 401(m)(4)(D) and 408(p)(2)(F) of the Internal Revenue Code of 1986, as added by this section, at a different frequency than matching contributions are otherwise made under the plan, provided that the frequency is not less than annually;

(2) permitting employers to establish reasonable procedures to claim matching contributions for such qualified student loan payments under the plan, including an annual deadline (not earlier than 3 months after the close of each plan year) by which a claim must be made; and

(3) promulgating model amendments which plans may adopt to implement matching contributions on such qualified student loan payments for purposes of sections 401(m), 408(p), 403(b), and 457(b) of the Internal Revenue Code of 1986.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made for plan years beginning after December 31, 2022.

SEC. 112. APPLICATION OF CREDIT FOR SMALL EMPLOYER PENSION PLAN STARTUP COSTS TO EMPLOYERS WHICH JOIN AN EXISTING PLAN.

(a) IN GENERAL.—Section 45E(d)(3)(A) of the Internal Revenue Code of 1986 is amended by striking ''effective'' and inserting ''effective with respect to the eligible employer''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of section 104 of the Setting Every Community Up for Retirement Enhancement Act of 2019.

SEC. 113. MILITARY SPOUSE RETIREMENT PLAN ELIGIBILITY CREDIT FOR SMALL EMPLOYERS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 45U. MILITARY SPOUSE RETIREMENT PLAN ELIGIBILITY CREDIT FOR SMALL EMPLOYERS.

''(a) IN GENERAL.—For purposes of section 38, in the case of any eligible small employer, the military spouse retirement plan eligibility credit determined under this section for any taxable year is an amount equal to the sum of—

''(1) $250 with respect to each military spouse who is an employee of such employer and who is eligible to participate in an eligible defined contribution plan of such employer at any time during such taxable year, plus

''(2) so much of the contributions made by such employer to all such plans with respect to such employee during such taxable year as do not exceed $250.

''(b) LIMITATION.—An individual shall only be taken into account as a military spouse under subsection (a) for the taxable year which includes the date on which such individual began participating in the eligible defined contribution plan of the employer and the 2 succeeding taxable years.

''(c) ELIGIBLE SMALL EMPLOYER.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible small employer' means an eligible employer (as defined in section 408(p)(2)(C)(i)(I)).

''(2) APPLICATION OF 2-YEAR GRACE PERIOD.—A rule similar to the rule of section 408(p)(2)(C)(i)(II) shall apply for purposes of this section.

''(d) MILITARY SPOUSE.—For purposes of this section—

''(1) IN GENERAL.—The term 'military spouse' means, with respect to any employer, any individual who is married (within the meaning of section 7703 as of the first date that the employee is employed by the employer) to an individual who is a member of the uniformed services (as defined section 101(a)(5) of title 10, United States Code). For purposes of this section, an employer may rely on an employee's certification that such employee's spouse is a member of the uniformed services if such certification provides the name, rank, and service branch of such spouse.

''(2) EXCLUSION OF HIGHLY COMPENSATED EMPLOYEES.—With respect to any employer, the term 'military spouse' shall not include any individual if such individual is a highly compensated employee of such employer (within the meaning of section 414(q)).

''(e) ELIGIBLE DEFINED CONTRIBUTION PLAN.—For purposes of this section, the term 'eligible defined contribution plan' means, with respect to any eligible small employer, any defined contribution plan (as defined in section 414(i)) of such employer if, under the terms of such plan—

''(1) military spouses employed by such employer are eligible to participate in such plan not later than the date which is 2 months after the date on which such individual begins employment with such employer, and

''(2) military spouses who are eligible to participate in such plan—

''(A) are immediately eligible to receive an amount of employer contributions under such plan which is not less the amount of such contributions that a similarly situated participant who is not a military spouse would be eligible to receive under such plan after 2 years of service, and

''(B) immediately have a nonforfeitable right to the employee's accrued benefit derived from employer contributions under such plan.

''(f) AGGREGATION RULE.—All persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as one employer for purposes of this section.''.

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of such Code is amended by striking ''plus'' at the end of paragraph (32), by striking the period at the end of paragraph (33) and inserting '', plus'', and by adding at the end the following new paragraph:

''(34) in the case of an eligible small employer (as defined in section 45U(c)), the military spouse retirement plan eligibility credit determined under section 45U(a).''.

(c) SPECIFIED CREDIT FOR PURPOSES OF CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—Section 3511(d)(2) of such Code is amended by redesignating subparagraphs (F), (G), and (H) as subparagraphs (G), (H), and (I), respectively, and by inserting after subparagraph (E) the following new subparagraph:

''(F) section 45U (military spouse retirement plan eligibility credit),''.

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 45U. Military spouse retirement plan eligibility credit for small employers.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 114. SMALL IMMEDIATE FINANCIAL INCENTIVES FOR CONTRIBUTING TO A PLAN.

(a) IN GENERAL.—Subparagraph (A) of section 401(k)(4) of the Internal Revenue Code of 1986 is amended by inserting ''(other than a de minimis financial incentive)'' after ''any other benefit''.

(b) SECTION 403(b) PLANS.—Subparagraph (A) of section 403(b)(12) of such Code, as amended by the preceding provisions of this Act, is amended by adding at the end the following: ''A plan shall not fail to satisfy clause (ii) solely by reason of offering a de minimis financial incentive to employees to elect to have the employer make contributions pursuant to a salary reduction agreement.''.

(c) EXEMPTION FROM PROHIBITED TRANSACTION RULES.—Subsection (d) of section 4975 of such Code is amended by striking ''or'' at the end of paragraph (22), by striking the period at the end of paragraph (23) and inserting '', or'', and by adding at the end the following new paragraph:

''(24) the provision of a de minimis financial incentive described in section 401(k)(4)(A).''.

(d) AMENDMENT OF EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Subsection (b) of section 408 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(b)) is amended by adding at the end the following new paragraph:

''(21) The provision of a de minimis financial incentive described in section 401(k)(4)(A) or section 403(b)(12)(A) of the Internal Revenue Code of 1986.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning after the date of enactment of this Act.

SEC. 115. SAFE HARBOR FOR CORRECTIONS OF EMPLOYEE ELECTIVE DEFERRAL FAILURES.

(a) IN GENERAL.—Section 414 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(aa) CORRECTING AUTOMATIC CONTRIBUTION ERRORS.—

''(1) IN GENERAL.—Any plan or arrangement shall not fail to be treated as a plan described in sections 401(a), 403(b), 408, or 457(b), as applicable, solely by reason of a corrected error.

''(2) CORRECTED ERROR DEFINED.—For purposes of this subsection, the term 'corrected error' means a reasonable administrative error in implementing an automatic enrollment or automatic escalation feature in accordance with the terms of an eligible automatic contribution arrangement (as defined under subsection (w)(3)), provided that such implementation error—

''(A) is corrected by the date that is 9½ months after the end of the plan year during which the error occurred,

''(B) is corrected in a manner that is favorable to the participant, and

''(C) is of a type which is so corrected for all similarly situated participants in a nondiscriminatory manner.

Such correction may occur before or after the participant has terminated employment and may occur without regard to whether the error is identified by the Secretary.

''(3) REGULATIONS AND GUIDANCE FOR FAVORABLE CORRECTION METHODS.—The Secretary shall, by regulations or other guidance of general applicability, specify the correction methods that are in a manner favorable to the participant for purposes of paragraph (2)(B).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to any errors with respect to which the date referred to in section 414(aa) (as added by this section) is after the date of enactment of this Act.

SEC. 116. IMPROVING COVERAGE FOR PART-TIME WORKERS.

(a) IN GENERAL.—Section 202 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1052) is amended by adding at the end the following new subsection:

''(c) SPECIAL RULE FOR CERTAIN PART-TIME EMPLOYEES.—

''(1) IN GENERAL.—A pension plan that includes either a qualified cash or deferred arrangement (as defined in section 401(k) of the Internal Revenue Code of 1986) or a salary reduction agreement (as described in section 403(b) of such Code) shall not require, as a condition of participation in the arrangement or agreement, that an employee complete a period of service with the employer (or employers) maintaining the plan extending beyond the close of the earlier of—

''(A) the period permitted under subsection (a)(1) (determined without regard to subparagraph (B)(i) thereof); or

''(B) the first 24-month period—

''(i) consisting of 2 consecutive 12-month periods during each of which the employee has at least 500 hours of service; and

''(ii) by the close of which the employee has attained the age of 21.

''(2) EXCEPTION.—Paragraph (1)(B) shall not apply to any employee described in section 410(b)(3) of the Internal Revenue Code of 1986.

''(3) COORDINATION WITH OTHER RULES.—

''(A) IN GENERAL.—In the case of employees who are eligible to participate in the arrangement or agreement solely by reason of paragraph (1)(B):

''(i) EXCLUSIONS.—An employer may elect to exclude such employees from the application of subsections (a)(4), (k)(3), (k)(12), (k)(13), and (m)(2) of section 401 of the Internal Revenue Code of 1986 and section 410(b) of such Code.

''(ii) NONDISCRIMINATION RULES.—Notwithstanding paragraph (1), section 401(k)(15)(B)(i)(I) of such Code shall apply.

''(iii) TIME OF PARTICIPATION.—The rules of subsection (a)(4) shall apply to such employees.

''(B) TOP-HEAVY RULES.—An employer may elect to exclude all employees who are eligible to participate in a plan maintained by the employer solely by reason of paragraph (1)(B) from the application of the vesting and benefit requirements under subsections (b) and (c) of section 416 of the Internal Revenue Code of 1986.

''(4) 12-MONTH PERIOD.—For purposes of this subsection, 12-month periods shall be determined in the same manner as under the last sentence of subsection (a)(3)(A), except that 12-month periods beginning before January 1, 2021, shall not be taken into account.''

(b) VESTING.—Section 203(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

''(4) PART-TIME EMPLOYEES.—For purposes of determining whether an employee who is eligible to participate in a qualified cash or deferred arrangement or a salary reduction agreement under a plan solely by reason of section 202(c)(1)(B) has a nonforfeitable right to employer contributions—

''(A) except as provided in subparagraph (B), each 12-month period for which the employee has at least 500 hours of service shall be treated as a year of service; and

''(B) paragraph (3) shall be applied by substituting 'at least 500 hours of service' for 'more than 500 hours of service' in subparagraph (A) thereof.

For purposes of this paragraph, 12-month periods shall be determined in the same manner as under the last sentence of section 202(a)(3)(A), except that 12-month periods beginning before January 1, 2021, shall not be taken into account.''.

(c) REDUCTION IN PERIOD SERVICE REQUIREMENT FOR QUALIFIED CASH AND DEFERRED ARRANGEMENTS.—Section 401(k)(2)(D)(ii) of the Internal Revenue Code of 1986 is amended by striking ''3'' and inserting ''2''.

(d) PRE-2021 SERVICE.—Section 112(b) of the Setting Every Community Up for Retirement Enhancement Act of 2019 (26 U.S.C. 401 note) is amended by striking ''section 401(k)(2)(D)(ii)'' and inserting ''paragraphs (2)(D)(ii) and (15)(B)(iii) of section 401(k)''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to plan years beginning after December 31, 2022.

(2) SUBSECTION (d).—The amendment made by subsection (d) shall take effect as if included in the enactment of section 112 of the Setting Every Community Up for Retirement Enhancement Act of 2019.

SEC. 117. DEFERRAL OF TAX FOR CERTAIN SALES OF EMPLOYER STOCK TO EMPLOYEE STOCK OWNERSHIP PLAN SPONSORED BY S CORPORATION.

(a) IN GENERAL.—Section 1042(c)(1)(A) of the Internal Revenue Code of 1986 is amended by striking ''domestic C corporation'' and inserting ''domestic corporation''.

(b) 10 PERCENT LIMITATION ON APPLICATION OF GAIN ON SALE OF S CORPORATION STOCK.—Section 1042 of such Code is amended by adding at the end the following new subsection:

''(h) APPLICATION OF SECTION TO SALE OF STOCK IN S CORPORATION.—In the case of the sale of qualified securities of an S corporation, the election under subsection (a) may be made with respect to not more than 10 percent of the amount realized on such sale for purposes of determining the amount of gain not recognized and the extent to which (if at all) the amount realized on such sale exceeds the cost of qualified replacement property. The portion of adjusted basis that is properly allocable to the portion of the amount realized with respect to which the election is made under this subsection shall be taken into account for purposes of the preceding sentence.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after December 31, 2027.

SEC. 118. CERTAIN SECURITIES TREATED AS PUBLICLY TRADED IN CASE OF EMPLOYEE STOCK OWNERSHIP PLANS.

(a) IN GENERAL.—Section 401(a)(35) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(I) ESOP RULES RELATING TO PUBLICLY TRADED SECURITIES.—In the case of an applicable defined contribution plan which is an employee stock ownership plan, an employer security shall be treated as described in subparagraph (G)(v) if—

''(i) the security is the subject of priced quotations by at least 4 dealers, published and made continuously available on an interdealer quotation system (as such term is used in section 13 of the Securities Exchange Act of 1934) which has made the request described in section 6(j) of such Act to be treated as an alternative trading system,

''(ii) the security is not a penny stock (as defined by section 3(a)(51) of such Act),

''(iii) the security is issued by a corporation which is not a shell company (as such term is used in section 4(d)(6) of the Securities Act of 1933), a blank check company (as defined in section 7(b)(3) of such Act), or subject to bankruptcy proceedings,

''(iv) the security has a public float (as such term is used in section 240.12b-2 of title 17, Code of Federal Regulations) which has a fair market value of at least $1,000,000 and constitutes at least 10 percent of the total shares issued and outstanding.

''(v) in the case of a security issued by a domestic corporation, the issuer publishes, not less frequently than annually, financial statements audited by an independent auditor registered with the Public Company Accounting Oversight Board established under the Sarbanes-Oxley Act of 2002, and

''(vi) in the case of a security issued by a foreign corporation, the security is represented by a depositary share (as defined under section 240.12b-2 of title 17, Code of Federal Regulations), or is issued by a foreign corporation incorporated in Canada and readily tradeable on an established securities market in Canada, and the issuer—

''(I) is subject to, and in compliance with, the reporting requirements of section 13 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)),

''(II) is subject to, and in compliance with, the reporting requirements of section 230.257 of title 17, Code of Federal Regulations, or

''(III) is exempt from such requirements under section 240.12g3–2(b) of title 17, Code of Federal Regulations.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2027.

TITLE II—PRESERVATION OF INCOME

SEC. 201. REMOVE REQUIRED MINIMUM DISTRIBUTION BARRIERS FOR LIFE ANNUITIES.

(a) IN GENERAL.—Section 401(a)(9) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(J) CERTAIN INCREASES IN PAYMENTS UNDER A COMMERCIAL ANNUITY.—Nothing in this section shall prohibit a commercial annuity (within the meaning of section 3405(e)(6)) that is issued in connection with any eligible retirement plan (within the meaning of section 402(c)(8)(B), other than a defined benefit plan) from providing one or more of the following types of payments on or after the annuity starting date:

''(i) annuity payments that increase by a constant percentage, applied not less frequently than annually, at a rate that is less than 5 percent per year,

''(ii) a lump sum payment that—

''(I) results in a shortening of the payment period with respect to an annuity or a full or partial commutation of the future annuity payments, provided that such lump sum is determined using reasonable actuarial methods and assumptions, as determined in good faith by the issuer of the contract, or

''(II) accelerates the receipt of annuity payments that are scheduled to be received within the ensuing 12 months, regardless of whether such acceleration shortens the payment period with respect to the annuity, reduces the dollar amount of benefits to be paid under the contract, or results in a suspension of annuity payments during the period being accelerated,

''(iii) an amount which is in the nature of a dividend or similar distribution, provided that the issuer of the contract determines

such amount based on a reasonable comparison of the actuarial factors assumed when calculating the initial annuity payments and the issuer's experience with respect to those factors, or

''(iv) a final payment upon death that does not exceed the excess of the total amount of the consideration paid for the annuity payments, less the aggregate amount of prior distributions or payments from or under the contract.''.

(b) EFFECTIVE DATE.—This section shall apply to calendar years ending after the date of the enactment of this Act.

SEC. 202. QUALIFYING LONGEVITY ANNUITY CONTRACTS.

(a) IN GENERAL.—Not later than the date which is 1 year after the date of the enactment of this Act, the Secretary of the Treasury or the Secretary's delegate (hereafter in this section referred to as the ''Secretary'') shall amend the regulation issued by the Department of the Treasury relating to ''Longevity Annuity Contracts'' (79 Fed. Reg. 37633 (July 2, 2014)), as follows:

(1) REPEAL 25-PERCENT PREMIUM LIMIT.—The Secretary shall amend Q&A–17(b)(3) of Treasury Regulation section 1.401(a)(9)–6 and Q&A–12(b)(3) of Treasury Regulation section 1.408–8 to eliminate the requirement that premiums for qualifying longevity annuity contracts be limited to a percentage of an individual's account balance, and to make such corresponding changes to the regulations and related forms as are necessary to reflect the elimination of this requirement.

(2) FACILITATE JOINT AND SURVIVOR BENEFITS.—The Secretary shall amend Q&A–17(c) of Treasury Regulation section 1.401(a)(9)–6, and make such corresponding changes to the regulations and related forms as are necessary, to provide that, in the case of a qualifying longevity annuity contract which was purchased with joint and survivor annuity benefits for the individual and the individual's spouse which were permissible under the regulations at the time the contract was originally purchased, a divorce occurring after the original purchase and before the annuity payments commence under the contract will not affect the permissibility of the joint and survivor annuity benefits or other benefits under the contract, or require any adjustment to the amount or duration of benefits payable under the contract, provided that any qualified domestic relations order (within the meaning of section 414(p) of the Internal Revenue Code of 1986) or, in the case of an arrangement not subject to section 414(p) of such Code or section 206(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(d)), any divorce or separation instrument (as defined in subsection (b))—

(A) provides that the former spouse is entitled to the survivor benefits under the contract;

(B) does not modify the treatment of the former spouse as the beneficiary under the contract who is entitled to the survivor benefits; or

(C) does not modify the treatment of the former spouse as the measuring life for the survivor benefits under the contract.

(3) PERMIT SHORT FREE LOOK PERIOD.—The Secretary shall amend Q&A–17(a)(4) of Treasury Regulation section 1.401(a)(9)–6 to ensure that such Q&A does not preclude a contract from including a provision under which an employee may rescind the purchase of the contract within a period not exceeding 90 days from the date of purchase.

(b) DIVORCE OR SEPARATION INSTRUMENT.—For purposes of subsection (a)(2), the term ''divorce or separation instrument'' means—

(1) a decree of divorce or separate maintenance or a written instrument incident to such a decree,

(2) a written separation agreement, or

(3) a decree (not described in paragraph (1)) requiring a spouse to make payments for the support or maintenance of the other spouse.

(c) EFFECTIVE DATES, ENFORCEMENT, AND INTERPRETATIONS.—

(1) EFFECTIVE DATES.—

(A) Paragraph (1) of subsection (a) shall be effective with respect to contracts purchased or received in an exchange on or after the date of the enactment of this Act.

(B) Paragraphs (2) and (3) of subsection (a) shall be effective with respect to contracts purchased or received in an exchange on or after July 2, 2014.

(2) ENFORCEMENT AND INTERPRETATIONS.—Prior to the date on which the Secretary issues final regulations pursuant to subsection (a)—

(A) the Secretary (or delegate) shall administer and enforce the law in accordance with subsection (a) and the effective dates in paragraph (1) of this subsection; and

(B) taxpayers may rely upon their reasonable good faith interpretations of subsection (a).

(d) REGULATORY SUCCESSOR PROVISION.—Any reference to a regulation under this section shall be treated as including a reference to any successor regulation thereto.

SEC. 203. INSURANCE-DEDICATED EXCHANGE-TRADED FUNDS.

(a) IN GENERAL.—Not later than the date which is 7 years after the date of the enactment of this Act, the Secretary of the Treasury (or the Secretary's delegate) shall amend the regulation issued by the Department of the Treasury relating to ''Income Tax; Diversification Requirements for Variable Annuity, Endowment, and Life Insurance Contracts'', 54 Fed. Reg. 8728 (March 2, 1989), and make any necessary corresponding amendments to other regulations, in order to facilitate the use of exchange-traded funds as investment options under variable contracts within the meaning of section 817(d) of the Internal Revenue Code of 1986, in accordance with subsections (b) and (c) of this section.

(b) DESIGNATE CERTAIN AUTHORIZED PARTICIPANTS AND MARKET MAKERS AS ELIGIBLE INVESTORS.—The Secretary of the Treasury (or the Secretary's delegate) shall amend Treasury Regulation section 1.817–5(f)(3) to provide that satisfaction of the requirements in Treasury Regulation section 1.817–5(f)(2)(i) with respect to an exchange-traded fund shall not be prevented by reason of beneficial interests in such a fund being held by 1 or more authorized participants or market makers.

(c) DEFINE RELEVANT TERMS.—In amending Treasury Regulation section 1.817–5(f)(3) in accordance with subsections (b) of this section, the Secretary of the Treasury (or the Secretary's delegate) shall provide definitions consistent with the following:

(1) EXCHANGE-TRADED FUND.—The term ''exchange-traded fund'' means a regulated investment company, partnership, or trust—

(A) that is registered with the Securities and Exchange Commission as an open-end investment company or a unit investment trust;

(B) the shares of which can be purchased or redeemed directly from the fund only by an authorized participant; and

(C) the shares of which are traded throughout the day on a national stock exchange at market prices that may or may not be the same as the net asset value of the shares.

(2) AUTHORIZED PARTICIPANT.—The term ''authorized participant'' means a financial institution that is a member or participant of a clearing agency registered under section 17A(b) of the Securities Exchange Act of 1934 that enters into a contractual relationship with an exchange-traded fund pursuant to which the financial institution is permitted to purchase and redeem shares directly from the fund and to sell such shares to third parties, but only if the contractual arrangement or applicable law precludes the financial institution from—

(A) purchasing the shares for its own investment purposes rather than for the exclusive purpose of creating and redeeming such shares on behalf of third parties; and

(B) selling the shares to third parties who are not market makers or otherwise described in paragraphs (2) and (3) of Treasury Regulation section 1.817–5(f).

(3) MARKET MAKER.—The term ''market maker'' means a financial institution that is a registered broker or dealer under section 15(b) of the Securities Exchange Act of 1934 that maintains liquidity for an exchange-traded fund on a national stock exchange by being always ready to buy and sell shares of such fund on the market, but only if the financial institution is contractually or legally precluded from selling or buying such shares to or from persons who are not authorized participants or otherwise described in paragraphs (2) and (3) of Treasury Regulations section 1.817–5(f).

(d) EFFECTIVE DATE.—Subsections (b) and (c) shall apply to segregated asset account investments made on or after the date that is 7 years after the date of the enactment of this Act.

TITLE III—SIMPLIFICATION AND CLARIFICATION OF RETIREMENT PLAN RULES

SEC. 301. RECOVERY OF RETIREMENT PLAN OVERPAYMENTS.

(a) OVERPAYMENTS UNDER ERISA.—Section 206 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056) is amended by adding at the end the following new subsection:

''(h) SPECIAL RULES APPLICABLE TO BENEFIT OVERPAYMENTS.—

''(1) GENERAL RULE.—In the case of an inadvertent benefit overpayment by any pension plan, the responsible plan fiduciary shall not be considered to have failed to comply with the requirements of this title merely because such fiduciary determines, in the exercise of its fiduciary discretion, not to seek recovery of all or part of such overpayment from—

''(A) any participant or beneficiary,

''(B) any plan sponsor of, or contributing employer to—

''(i) an individual account plan, provided that the amount needed to prevent or restore any impermissible forfeiture from any participant's or beneficiary's account arising in connection with the overpayment is, separately from and independently of the overpayment, allocated to such account pursuant to the nonforfeitability requirements of section 203 (for example, out of the plan's forfeiture account, additional employer contributions, or recoveries from those responsible for the overpayment), or

''(ii) a defined benefit pension plan subject to the funding rules in part 3 of this subtitle B, unless the responsible plan fiduciary determines, in the exercise of its fiduciary discretion, that failure to recover all or part of the overpayment faster than required under such funding rules would materially affect the plan's ability to pay benefits due to other participants and beneficiaries, or

''(C) any fiduciary of the plan, other than a fiduciary (including a plan sponsor or contributing employer acting in a fiduciary capacity) whose breach of its fiduciary duties resulted in such overpayment, provided that if the plan has established prudent procedures to prevent and minimize overpayment of benefits and the relevant plan fiduciaries have followed such procedures, an inadvertent benefit overpayment will not give rise to a breach of fiduciary duty.

''(2) REDUCTION IN FUTURE BENEFIT PAYMENTS AND RECOVERY FROM RESPONSIBLE

PARTY.—Paragraph (1) shall not fail to apply with respect to any inadvertent benefit overpayment merely because, after discovering such overpayment, the responsible plan fiduciary—

''(A) reduces future benefit payments to the correct amount provided for under the terms of the plan, or

''(B) seeks recovery from the person or persons responsible for the overpayment.

''(3) EMPLOYER FUNDING OBLIGATIONS.—Nothing in this subsection shall relieve an employer of any obligation imposed on it to make contributions to a plan to meet the minimum funding standards under part 3 of this subtitle B or to prevent or restore an impermissible forfeiture in accordance with section 203.

''(4) RECOUPMENT FROM PARTICIPANTS AND BENEFICIARIES.—If the responsible plan fiduciary, in the exercise of its fiduciary discretion, decides to seek recoupment from a participant or beneficiary of all or part of an inadvertent benefit overpayment made by the plan to such participant or beneficiary, it may do so, subject to the following conditions:

''(A) No interest or other additional amounts (such as collection costs or fees) are sought on overpaid amounts for any period.

''(B) If the plan seeks to recoup past overpayments of a non-decreasing periodic benefit by reducing future benefit payments—

''(i) the reduction ceases after the plan has recovered the full dollar amount of the overpayment,

''(ii) the amount recouped each calendar year does not exceed 10 percent of the full dollar amount of the overpayment, and

''(iii) future benefit payments are not reduced to below 90 percent of the periodic amount otherwise payable under the terms of the plan.

Alternatively, if the plan seeks to recoup past overpayments of a non-decreasing periodic benefit through one or more installment payments, the sum of such installment payments in any calendar year does not exceed the sum of the reductions that would be permitted in such year under the preceding sentence.

''(C) If the plan seeks to recoup past overpayments of a benefit other than a non-decreasing periodic benefit, the plan satisfies requirements developed by the Secretary for purposes of this subparagraph.

''(D) Efforts to recoup overpayments are—

''(i) not accompanied by threats of litigation, unless the responsible plan fiduciary reasonably believes it could prevail in a civil action brought in Federal or State court to recoup the overpayments, and

''(ii) not made through a collection agency or similar third party, unless the participant or beneficiary ignores or rejects efforts to recoup the overpayment following either a final judgment in Federal or State court or a settlement between the participant or beneficiary and the plan, in either case authorizing such recoupment.

''(E) Recoupment of past overpayments to a participant is not sought from any beneficiary of the participant, including a spouse, surviving spouse, former spouse, or other beneficiary.

''(F) Recoupment may not be sought if the first overpayment occurred more than 3 years before the participant or beneficiary is first notified in writing of the error.

''(G) A participant or beneficiary from whom recoupment is sought is entitled to contest all or part of the recoupment pursuant to the plan's claims procedures.

''(H) In determining the amount of recoupment to seek, the responsible plan fiduciary may take into account the hardship that recoupment likely would impose on the participant or beneficiary.

''(5) EFFECT OF CULPABILITY.—Subparagraphs (A) through (F) of paragraph (4) shall not apply to protect a participant or beneficiary who is culpable. For purposes of this paragraph, a participant or beneficiary is culpable if the individual bears responsibility for the overpayment (such as through misrepresentations or omissions that led to the overpayment), or if the individual knew, or had good reason to know under the circumstances, that the benefit payment or payments were materially in excess of the correct amount. Notwithstanding the preceding sentence, an individual is not culpable merely because the individual believed the benefit payment or payments were or might be in excess of the correct amount, if the individual raised that question with an authorized plan representative and was told the payment or payments were not in excess of the correct amount. With respect to a culpable participant or beneficiary, efforts to recoup overpayments shall not be made through threats of litigation, unless a lawyer for the plan could make the representations required under Rule 11 of the Federal Rules of Civil Procedure if the litigation were brought in Federal court.''.

(b) OVERPAYMENTS UNDER INTERNAL REVENUE CODE OF 1986.—

(1) QUALIFICATION REQUIREMENTS.—Section 414 of the Internal Revenue Code of 1986, as amended by this preceding provisions of this Act, is amended by adding at the end the following new subsection:

''(bb) SPECIAL RULES APPLICABLE TO BENEFIT OVERPAYMENTS.—

''(1) IN GENERAL.—A plan shall not fail to be treated as described in clause (i), (ii), (iii), or (iv) of section 219(g)(5)(A) (and shall not fail to be treated as satisfying the requirements of section 401(a) or 403) merely because—

''(A) the plan fails to obtain payment from any participant, beneficiary, employer, plan sponsor, fiduciary, or other party on account of any inadvertent benefit overpayment made by the plan, or

''(B) the plan sponsor amends the plan to increase past or future benefit payments to affected participants and beneficiaries in order to adjust for prior inadvertent benefit overpayments.

''(2) REDUCTION IN FUTURE BENEFIT PAYMENTS AND RECOVERY FROM RESPONSIBLE PARTY.—Paragraph (1) shall not fail to apply to a plan merely because, after discovering a benefit overpayment, such plan—

''(A) reduces future benefit payments to the correct amount provided for under the terms of the plan, or

''(B) seeks recovery from the person or persons responsible for such overpayment.

''(3) EMPLOYER FUNDING OBLIGATIONS.—Nothing in this subsection shall relieve an employer of any obligation imposed on it to make contributions to a plan to meet the minimum funding standards under sections 412 and 430 or to prevent or restore an impermissible forfeiture in accordance with section 411.

''(4) OBSERVANCE OF BENEFIT LIMITATIONS.—Notwithstanding paragraph (1), a plan to which paragraph (1) applies shall observe any limitations imposed on it by section 401(a)(17) or 415. The plan may enforce such limitations using any method approved by the Secretary of the Treasury for recouping benefits previously paid or allocations previously made in excess of such limitations.

''(5) COORDINATION WITH OTHER QUALIFICATION REQUIREMENTS.—The Secretary of the Treasury may issue regulations or other guidance of general applicability specifying how benefit overpayments and their recoupment or non-recoupment from a participant or beneficiary shall be taken into account for purposes of satisfying any requirement applicable to a plan to which paragraph (1) applies.''.

(2) ROLLOVERS.—Section 402(c) of such Code is amended by adding at the end the following new paragraph:

''(12) In the case of an inadvertent benefit overpayment from a plan to which section 414(bb)(1) applies that is transferred to an eligible retirement plan by or on behalf of a participant or beneficiary—

''(A) the portion of such overpayment with respect to which recoupment is not sought on behalf of the plan shall be treated as having been paid in an eligible rollover distribution if the payment would have been an eligible rollover distribution but for being an overpayment, and

''(B) the portion of such overpayment with respect to which recoupment is sought on behalf of the plan shall be permitted to be returned to such plan and in such case shall be treated as an eligible rollover distribution transferred to such plan by the participant or beneficiary who received such overpayment (and the plans making and receiving such transfer shall be treated as permitting such transfer).

In any case in which recoupment is sought on behalf of the plan but is disputed by the participant or beneficiary who received such overpayment, such dispute shall be subject to the claims procedures of the plan that made such overpayment, such plan shall notify the plan receiving the rollover of such dispute, and the plan receiving the rollover shall retain such overpayment on behalf of the participant or beneficiary (and shall be entitled to treat such overpayment as plan assets) pending the outcome of such procedures.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply as of the date of the enactment of this Act.

(d) CERTAIN ACTIONS BEFORE DATE OF ENACTMENT.—Plans, fiduciaries, employers, and plan sponsors are entitled to rely on—

(1) a good faith interpretation of then existing administrative guidance for inadvertent benefit overpayment recoupments and recoveries that commenced before the date of enactment of this Act, and

(2) determinations made before the date of enactment of this Act by the responsible plan fiduciary, in the exercise of its fiduciary discretion, not to seek recoupment or recovery of all or part of an inadvertent benefit overpayment.

In the case of a benefit overpayment that occurred prior to the date of enactment of this Act, any installment payments by the participant or beneficiary to the plan or any reduction in periodic benefit payments to the participant or beneficiary, which were made in recoupment of such overpayment and which commenced prior to such date, may continue after such date. Nothing in this subsection shall relieve a fiduciary from responsibility for an overpayment that resulted from a breach of its fiduciary duties.

SEC. 302. REDUCTION IN EXCISE TAX ON CERTAIN ACCUMULATIONS IN QUALIFIED RETIREMENT PLANS.

(a) IN GENERAL.—Section 4974(a) of the Internal Revenue Code of 1986 is amended by striking ''50 percent'' and inserting ''25 percent''.

(b) REDUCTION IN EXCISE TAX ON FAILURES TO TAKE REQUIRED MINIMUM DISTRIBUTIONS.—Section 4974 of such Code is amended by adding at the end the following new subsection:

''(e) REDUCTION OF TAX IN CERTAIN CASES.—

''(1) REDUCTION.—In the case of a taxpayer who—

''(A) corrects, during the correction window, a shortfall of distributions from an individual retirement plan which resulted in imposition of a tax under subsection (a), and

''(B) submits a return, during the correction window, reflecting such tax (as modified by this subsection),

the first sentence of subsection (a) shall be applied by substituting '10 percent' for '25 percent'.

''(2) CORRECTION WINDOW.—For purposes of this subsection, the term 'correction window' means the period of time beginning on the date on which the tax under subsection (a) is imposed with respect to a shortfall of distributions from an individual retirement plan, and ending on the earlier of—

''(A) the date on which the Secretary initiates an audit, or otherwise demands payment, with respect to the shortfall of distributions, or

''(B) the last day of the second taxable year that begins after the end of the taxable year in which the tax under subsection (a) is imposed.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2022.

SEC. 303. PERFORMANCE BENCHMARKS FOR ASSET ALLOCATION FUNDS.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Labor shall provide that, in the case of a designated investment alternative that contains a mix of asset classes, the administrator of a plan may, but is not required to, use a benchmark that is a blend of different broad-based securities market indices if—

(1) the blend is reasonably representative of the asset class holdings of the designated investment alternative;

(2) for purposes of determining the blend's returns for 1-, 5-, and 10-calendar-year periods (or for the life of the alternative, if shorter), the blend is modified at least once per year to reflect changes in the asset class holdings of the designated investment alternative;

(3) the blend is furnished to participants and beneficiaries in a manner that is reasonably designed to be understandable; and

(4) each securities market index that is used for an associated asset class would separately satisfy the requirements of such regulation for such asset class.

(b) STUDY.—Not later than 3 years after the date of enactment of this Act, the Secretary of Labor shall deliver a report to the Committees on Finance and Health, Education, Labor, and Pensions of the Senate and the Committees on Ways and Means and Education and Labor of the House of Representatives regarding the utilization, effectiveness, and participants' understanding of the benchmarking requirements under this section.

SEC. 304. REVIEW AND REPORT TO CONGRESS RELATING TO REPORTING AND DISCLOSURE REQUIREMENTS.

(a) STUDY.—As soon as practicable after the date of enactment of this Act, the Secretary of Labor, the Secretary of the Treasury, and the Director of the Pension Benefit Guaranty Corporation shall review the reporting and disclosure requirements as applicable to each such agency head, of—

(1) the Employee Retirement Income Security Act of 1974 applicable to pension plans (as defined in section 3(2) of such Act (29 U.S.C. 1002(2)); and

(2) the Internal Revenue Code of 1986 applicable to qualified retirement plans (as defined in section 4974(c) of such Code, without regard to paragraphs (4) and (5) of such section).

(b) REPORT.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of Labor, the Secretary of the Treasury, and the Director of the Pension Benefit Guaranty Corporation, jointly, and after consultation with a balanced group of participant and employer representatives, shall with respect to plans referenced in subsection (a) report on the effectiveness of the applicable reporting and disclosure requirements and make such recommendations as may be appropriate to the Committee on Education and Labor and the Committee on Ways and Means of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate to consolidate, simplify, standardize, and improve such requirements so as to simplify reporting for such plans and ensure that plans can furnish and participants and beneficiaries timely receive and better understand the information they need to monitor their plans, plan for retirement, and obtain the benefits they have earned.

(2) ANALYSIS OF EFFECTIVENESS.—To assess the effectiveness of the applicable reporting and disclosure requirements, the report shall include an analysis, based on plan data, of how participants and beneficiaries are providing preferred contact information, the methods by which plan sponsors and plans are furnishing disclosures, and the rate at which participants and beneficiaries (grouped by key demographics) are receiving, accessing, understanding, and retaining disclosures.

(3) COLLECTION OF INFORMATION.—The agencies shall conduct appropriate surveys and data collection to obtain any needed information.

SEC. 305. ELIMINATING UNNECESSARY PLAN REQUIREMENTS RELATED TO UNENROLLED PARTICIPANTS.

(a) AMENDMENT OF EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Part 1 of subtitle B of subchapter I of the Employee Retirement Income Security Act of 1974 is amended by redesignating section 111 as section 112 and by inserting after section 110 the following new section:

''SEC. 111. ELIMINATING UNNECESSARY PLAN REQUIREMENTS RELATED TO UNENROLLED PARTICIPANTS.

''(a) IN GENERAL.—Notwithstanding any other provision of this title, with respect to any individual account plan, no disclosure, notice, or other plan document (other than the notices and documents described in paragraphs (1) and (2)) shall be required to be furnished under this title to any unenrolled participant if the unenrolled participant receives—

''(1) an annual reminder notice of such participant's eligibility to participate in such plan and any applicable election deadlines under the plan; and

''(2) any document requested by such participant that the participant would be entitled to receive notwithstanding this section.

''(b) UNENROLLED PARTICIPANT.—For purposes of this section, the term 'unenrolled participant' means an employee who—

''(1) is eligible to participate in an individual account plan;

''(2) has received—

''(A) the summary plan description pursuant to section 104(b), and

''(B) any other notices related to eligibility under the plan required to be furnished under this title, or the Internal Revenue Code of 1986, in connection with such participant's initial eligibility to participate in such plan;

''(3) is not participating in such plan;

''(4) does not have an account balance in the plan; and

''(5) satisfies such other criteria as the Secretary of Labor may determine appropriate, as prescribed in guidance issued in consultation with the Secretary of Treasury.

For purposes of this section, any eligibility to participate in the plan following any period for which such employee was not eligible to participate shall be treated as initial eligibility.

''(c) ANNUAL REMINDER NOTICE.—For purposes of this section, the term 'annual reminder notice' means a notice provided in accordance with section 2520.104b–1 of title 29, Code of Federal Regulations (or any successor regulation), which—

''(1) is furnished in connection with the annual open season election period with respect to the plan or, if there is no such period, is furnished within a reasonable period prior to the beginning of each plan year;

''(2) notifies the unenrolled participant of—

''(A) the unenrolled participant's eligibility to participate in the plan; and

''(B) the key benefits and rights under the plan, with a focus on employer contributions and vesting provisions; and

''(3) provides such information in a prominent manner calculated to be understood by the average participant.''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by striking the item relating to section 111 and by inserting after the item relating to section 110 the following new items:

''Sec. 111. Eliminating unnecessary plan requirements related to unenrolled participants.

''Sec. 112. Repeal and effective date.''.

(b) AMENDMENT OF INTERNAL REVENUE CODE OF 1986.—Section 414 of the Internal Revenue Code of 1986, as amended by the preceding provisions of this Act, is amended by adding at the end the following new subsection:

''(cc) ELIMINATING UNNECESSARY PLAN REQUIREMENTS RELATED TO UNENROLLED PARTICIPANTS.—

''(1) IN GENERAL.—Notwithstanding any other provision of this title, with respect to any defined contribution plan, no disclosure, notice, or other plan document (other than the notices and documents described in subparagraphs (A) and (B)) shall be required to be furnished under this title to any unenrolled participant if the unenrolled participant receives—

''(A) an annual reminder notice of such participant's eligibility to participate in such plan and any applicable election deadlines under the plan, and

''(B) any document requested by such participant that the participant would be entitled to receive notwithstanding this subsection.

''(2) UNENROLLED PARTICIPANT.—For purposes of this subsection, the term 'unenrolled participant' means an employee who—

''(A) is eligible to participate in a defined contribution plan,

''(B) has received—

''(i) the summary plan description pursuant to section 104(b) of the Employee Retirement Income Security Act of 1974, and

''(ii) any other notices related to eligibility under the plan and required to be furnished under this title, or the Employee Retirement Income Security Act of 1974, in connection with such participant's initial eligibility to participate in such plan,

''(C) is not participating in such plan,

''(D) does not have an account balance in the plan, and

''(E) satisfies such other criteria as the Secretary of the Treasury may determine appropriate, as prescribed in guidance issued in consultation with the Secretary of Labor.

For purposes of this subsection, any eligibility to participate in the plan following any period for which such employee was not eligible to participate shall be treated as initial eligibility.

''(3) ANNUAL REMINDER NOTICE.—For purposes of this subsection, the term 'annual reminder notice' means the notice described in section 111(c) of the Employee Retirement Income Security Act of 1974.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2022.

SEC. 306. RETIREMENT SAVINGS LOST AND FOUND.

(a) IN GENERAL.—

(1) ESTABLISHMENT OF RETIREMENT SAVINGS LOST AND FOUND.—Part 5 of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341 et seq.) is amended by adding at the end the following:

''SEC. 523. RETIREMENT SAVINGS LOST AND FOUND.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—Not later than 2 years after the date of the enactment of this section, the Secretary of Labor, in consultation with the Secretary of the Treasury, shall establish an online searchable database (to be managed by the Department of Labor in accordance with this section) to be known as the 'Retirement Savings Lost and Found'. The Retirement Savings Lost and Found shall—

''(A) allow an individual to search for information that enables the individual to locate the administrator of any plan described in paragraph (2) with respect to which the individual is or was a participant or beneficiary, and provide contact information for the administrator of any such plan;

''(B) allow the Department of Labor to assist such an individual in locating any such plan of the individual; and

''(C) allow the Department of Labor to make any necessary changes to contact information on record for the administrator based on any changes to the plan due to merger or consolidation of the plan with any other plan, division of the plan into two or more plans, bankruptcy, termination, change in name of the plan, change in name or address of the administrator, or other causes.

The Retirement Savings Lost and Found established under this paragraph shall include information reported under this section and other relevant information obtained by the Department of Labor.

''(2) PLANS DESCRIBED.—A plan described in this paragraph is a plan to which the vesting standards of section 203 apply.

''(b) ADMINISTRATION.—The Retirement Savings Lost and Found established under subsection (a) shall provide individuals described in subsection (a)(1) only with the ability to search for information that enables the individual to locate the administrator and contact information for the administrator of any plan with respect to which the individual is or was a participant or beneficiary, sufficient to allow the individual to locate the individual's plan in order to recover any benefit owing to the individual under the plan.

''(c) SAFEGUARDING PARTICIPANT PRIVACY AND SECURITY.—In establishing the Retirement Savings Lost and Found under subsection (a), the Department of Labor shall take all necessary and proper precautions to ensure that individuals' plan information maintained by the Retirement Savings Lost and Found is protected.

''(d) DEFINITION OF ADMINISTRATOR.—For purposes of this section, the term 'administrator' has the meaning given such term in section 3(16)(A).

''(e) INFORMATION COLLECTION FROM PLANS.—Effective with respect to plan years beginning after the second December 31 occurring after the date of the enactment of this subsection, the administrator of a plan to which the vesting standards of section 203 apply shall submit to the Department of Labor, at such time and in such form and manner as is prescribed in regulations—

''(1) the information described in paragraphs (1) through (4) of section 6057(b) of the Internal Revenue Code of 1986;

''(2) the information described in subparagraphs (A) and (B) of section 6057(a)(2) of such Code;

''(3) the name and taxpayer identifying number of each participant or former participant in the plan—

''(A) who, during the current plan year or any previous plan year, was reported under section 6057(a)(2)(C) of such Code, and with respect to whom the benefits described in clause (ii) thereof were fully paid during the plan year;

''(B) with respect to whom any amount was distributed under section 401(a)(31)(B) of such Code during the plan year; or

''(C) with respect to whom a deferred annuity contract was distributed during the plan year;

''(4) in the case of a participant or former participant to whom paragraph (3) applies—

''(A) in the case of a participant described in subparagraph (B) thereof, the name and address of the designated trustee or issuer described in section 401(a)(31)(B)(i) of such Code and the account number of the individual retirement plan to which the amount was distributed; and

''(B) in the case of a participant described in subparagraph (C) thereof, the name and address of the issuer of such annuity contract and the contract or certificate number; and

''(5) such other information as the Secretary of Labor may require.

''(f) INFORMATION COLLECTION FROM FEDERAL AGENCIES.—On request, the Secretary of Labor may access and receive such information collected by other Federal agencies as may be necessary and appropriate to perform work related to the Retirement Savings Lost and Found.

''(g) PROGRAM INTEGRITY AUDIT.—On an annual basis for each of the first 5 years beginning one year after the establishment of the database in subsection (a)(1) and every 5 years thereafter, the Inspector General of the Department of Labor shall conduct an audit of the administration of the Retirement Savings Lost and Found.''.

(3) CONFORMING AMENDMENT.—The table of contents for the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.) is amended by inserting after the item relating to section 522 the following:

''Sec. 523.Retirement Savings Lost and Found.''.

SEC. 307. UPDATING DOLLAR LIMIT FOR MANDATORY DISTRIBUTIONS.

(a) IN GENERAL.—Section 203(e)(1) of the Employee Retirement Income Security Act of 1974 and sections 401(a)(31)(B)(ii) and 411(a)(11)(A) of the Internal Revenue Code of 1986 are each amended by striking ''$5,000'' and inserting ''$7,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2022.

SEC. 308. EXPANSION OF EMPLOYEE PLANS COMPLIANCE RESOLUTION SYSTEM.

(a) IN GENERAL.—Except as otherwise provided in the Internal Revenue Code of 1986 or regulations prescribed by the Secretary of the Treasury or the Secretary's delegate (referred to in this section as the ''Secretary''), any eligible inadvertent failure to comply with the rules applicable under section 401(a), 403(a), 403(b), 408(p), or 408(k) of such Code may be self-corrected under the Employee Plans Compliance Resolution System (as described in Revenue Procedure 2021–30, or any successor guidance, and hereafter in this section referred to as the ''EPCRS''), except to the extent that such failure was identified by the Secretary prior to any actions which demonstrate a commitment to implement a self-correction. Revenue Procedure 2021–30 is deemed amended as of the date of the enactment of this Act to provide that the correction period under section 9.02 of such Revenue Procedure (or any successor guidance) for an eligible inadvertent failure, except as otherwise provided under such Code or in regulations prescribed by the Secretary, is indefinite and has no last day, other than with respect to failures identified by the Secretary prior to any self-correction as described in the preceding sentence.

(b) LOAN ERRORS.—In the case of an eligible inadvertent failure relating to a loan from a plan to a participant—

(1) such failure may be self-corrected under subsection (a) according to the rules of section 6.07 of Revenue Procedure 2021–30 (or any successor guidance), including the provisions related to whether a deemed distribution must be reported on Form 1099–R, and

(2) the Secretary of Labor shall treat any such failure which is so self-corrected under subsection (a) as meeting the requirements of the Voluntary Fiduciary Correction Program of the Department of Labor if, with respect to the violation of the fiduciary standards of the Employee Retirement Income Security Act of 1974, there is a similar loan error eligible for correction under EPCRS and the loan error is corrected in such manner.

(c) EPCRS FOR IRAS.—The Secretary shall expand the EPCRS to allow custodians of individual retirement plans (as defined in section 7701(a)(37) of the Internal Revenue Code of 1986) to address eligible inadvertent failures with respect to an individual retirement plan (as so defined), including (but not limited to)—

(1) waivers of the excise tax which would otherwise apply under section 4974 of the Internal Revenue Code of 1986,

(2) under the self-correction component of the EPCRS, waivers of the 60-day deadline for a rollover where the deadline is missed for reasons beyond the reasonable control of the account owner, and

(3) rules permitting a nonspouse beneficiary to return distributions to an inherited individual retirement plan described in section 408(d)(3)(C) of the Internal Revenue Code of 1986 in a case where, due to an inadvertent error by a service provider, the beneficiary had reason to believe that the distribution could be rolled over without inclusion in income of any part of the distributed amount.

(d) ADDITIONAL SAFE HARBORS.—The Secretary shall expand the EPCRS to provide additional safe harbor means of correcting eligible inadvertent failures described in subsection (a), including safe harbor means of calculating the earnings which must be restored to a plan in cases where plan assets have been depleted by reason of an eligible inadvertent failure.

(e) ELIGIBLE INADVERTENT FAILURE.—For purposes of this section—

(1) IN GENERAL.—Except as provided in paragraph (2), the term ''eligible inadvertent failure'' means a failure that occurs despite the existence of practices and procedures which—

(A) satisfy the standards set forth in section 4.04 of Revenue Procedure 2021–30 (or any successor guidance), or

(B) satisfy similar standards in the case of an individual retirement plan.

(2) EXCEPTION.—The term ''eligible inadvertent failure'' shall not include any failure which is egregious, relates to the diversion

or misuse of plan assets, or is directly or indirectly related to an abusive tax avoidance transaction.

(f) APPLICATION OF CERTAIN REQUIREMENTS FOR CORRECTING ERRORS.—This section shall not apply to any failure unless the correction of such failure under this section is made in conformity with the general principles that apply to corrections of such failures under the Internal Revenue Code of 1986, including regulations or other guidance issued thereunder and including those principles and corrections set forth in Revenue Procedure 2021–30 (or any successor guidance).''

SEC. 309. ELIMINATE THE "FIRST DAY OF THE MONTH" REQUIREMENT FOR GOVERNMENTAL SECTION 457(b) PLANS.

(a) IN GENERAL.—Section 457(b)(4) of the Internal Revenue Code of 1986 is amended to read as follows:

''(4) which provides that compensation—

''(A) in the case of an eligible employer described in subsection (e)(1)(A), will be deferred only if an agreement providing for such deferral has been entered into before the compensation is currently available to the individual, and

''(B) in any other case, will be deferred for any calendar month only if an agreement providing for such deferral has been entered into before the beginning of such month,''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 310. ONE-TIME ELECTION FOR QUALIFIED CHARITABLE DISTRIBUTION TO SPLIT-INTEREST ENTITY; INCREASE IN QUALIFIED CHARITABLE DISTRIBUTION LIMITATION.

(a) ONE-TIME ELECTION FOR QUALIFIED CHARITABLE DISTRIBUTION TO SPLIT-INTEREST ENTITY.—Section 408(d)(8) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(F) ONE-TIME ELECTION FOR QUALIFIED CHARITABLE DISTRIBUTION TO SPLIT-INTEREST ENTITY.—

''(i) IN GENERAL.—A taxpayer may for a taxable year elect under this subparagraph to treat as meeting the requirement of subparagraph (B)(i) any distribution from an individual retirement account which is made directly by the trustee to a split-interest entity, but only if—

''(I) an election is not in effect under this subparagraph for a preceding taxable year,

''(II) the aggregate amount of distributions of the taxpayer with respect to which an election under this subparagraph is made does not exceed $50,000, and

''(III) such distribution meets the requirements of clauses (iii) and (iv).

''(ii) SPLIT-INTEREST ENTITY.—For purposes of this subparagraph, the term 'split-interest entity' means—

''(I) a charitable remainder annuity trust (as defined in section 664(d)(1)), but only if such trust is funded exclusively by qualified charitable distributions,

''(II) a charitable remainder unitrust (as defined in section 664(d)(2)), but only if such unitrust is funded exclusively by qualified charitable distributions, or

''(III) a charitable gift annuity (as defined in section 501(m)(5)), but only if such annuity is funded exclusively by qualified charitable distributions and commences fixed payments of 5 percent or greater not later than 1 year from the date of funding.

''(iii) CONTRIBUTIONS MUST BE OTHERWISE DEDUCTIBLE.—A distribution meets the requirement of this clause only if—

''(I) in the case of a distribution to a charitable remainder annuity trust or a charitable remainder unitrust, a deduction for the entire value of the remainder interest in the distribution for the benefit of a specified charitable organization would be allowable under section 170 (determined without regard to subsection (b) thereof and this paragraph), and

''(II) in the case of a charitable gift annuity, a deduction in an amount equal to the amount of the distribution reduced by the value of the annuity described in section 501(m)(5)(B) would be allowable under section 170 (determined without regard to subsection (b) thereof and this paragraph).

''(iv) LIMITATION ON INCOME INTERESTS.—A distribution meets the requirements of this clause only if—

''(I) no person holds an income interest in the split-interest entity other than the individual for whose benefit such account is maintained, the spouse of such individual, or both, and

''(II) the income interest in the split-interest entity is nonassignable.

''(v) SPECIAL RULES.—

''(I) CHARITABLE REMAINDER TRUSTS.—Notwithstanding section 664(b), distributions made from a trust described in subclause (I) or (II) of clause (ii) shall be treated as ordinary income in the hands of the beneficiary to whom the annuity described in section 664(d)(1)(A) or the payment described in section 664(d)(2)(A) is paid.

''(II) CHARITABLE GIFT ANNUITIES.—Qualified charitable distributions made to fund a charitable gift annuity shall not be treated as an investment in the contract for purposes of section 72(c).''.

(b) INFLATION ADJUSTMENT.—Section 408(d)(8) of such Code, as amended by subsection (a), is amended by adding at the end the following new subparagraph:

''(G) INFLATION ADJUSTMENT.—

''(i) IN GENERAL.—In the case of any taxable year beginning after 2022, each of the dollar amounts in subparagraphs (A) and (F) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2021' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(ii) ROUNDING.—If any dollar amount increased under clause (i) is not a multiple of $1,000, such dollar amount shall be rounded to the nearest multiple of $1,000.''.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years ending after the date of the enactment of this Act.

SEC. 311. DISTRIBUTIONS TO FIREFIGHTERS.

(a) IN GENERAL.—Subparagraph (A) of section 72(t)(10) of the Internal Revenue Code of 1986 is amended by striking ''414(d))'' and inserting ''414(d)) or a distribution from a plan described in clause (iii), (iv), or (vi) of section 402(c)(8)(B) to an employee who provides firefighting services''.

(b) CONFORMING AMENDMENT.—The heading of paragraph (10) of section 72(t) of such Code is amended by striking ''IN GOVERNMENTAL PLANS'' and inserting ''AND PRIVATE SECTOR FIREFIGHTERS''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2022.

SEC. 312. EXCLUSION OF CERTAIN DISABILITY-RELATED FIRST RESPONDER RETIREMENT PAYMENTS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 139B the following new section:

''SEC. 139C. CERTAIN DISABILITY-RELATED FIRST RESPONDER RETIREMENT PAYMENTS.

''(a) IN GENERAL.—In the case of an individual who receives qualified first responder retirement payments for any taxable year, gross income shall not include so much of such payments as do not exceed the annualized excludable disability amount with respect to such individual.

''(b) QUALIFIED FIRST RESPONDER RETIREMENT PAYMENTS.—For purposes of this section, the term 'qualified first responder retirement payments' means, with respect to any taxable year, any pension or annuity which but for this section would be includible in gross income for such taxable year and which is received—

''(1) from a plan described in clause (iii), (iv), (v), or (vi) of section 402(c)(8)(B), and

''(2) in connection with such individual's qualified first responder service.

''(c) ANNUALIZED EXCLUDABLE DISABILITY AMOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'annualized excludable disability amount' means, with respect to any individual, the service-connected excludable disability amounts which are properly attributable to the 12-month period immediately preceding the date on which such individual attains retirement age.

''(2) SERVICE-CONNECTED EXCLUDABLE DISABILITY AMOUNT.—The term 'service-connected excludable disability amount' means periodic payments received by an individual which—

''(A) are not includible in such individual's gross income under section 104(a)(1),

''(B) are received in connection with such individual's qualified first responder service, and

''(C) terminate when such individual attains retirement age.

''(3) SPECIAL RULE FOR PARTIAL-YEAR PAYMENTS.—In the case of an individual who only receives service-connected excludable disability amounts properly attributable to a portion of the 12-month period described in paragraph (1), such paragraph shall be applied by multiplying such amounts by the ratio of 365 to the number of days in such period to which such amounts were properly attributable.

''(d) QUALIFIED FIRST RESPONDER SERVICE.—For purposes of this section, the term 'qualified first responder service' means service as a law enforcement officer, firefighter, paramedic, or emergency medical technician.''.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 139B the following new item:

''Sec. 139C. Certain disability-related first responder retirement payments.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received with respect to taxable years beginning after December 31, 2027.

SEC. 313. INDIVIDUAL RETIREMENT PLAN STATUTE OF LIMITATIONS FOR EXCISE TAX ON EXCESS CONTRIBUTIONS AND CERTAIN ACCUMULATIONS.

Section 6501(l) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(4) INDIVIDUAL RETIREMENT PLANS.—

''(A) IN GENERAL.—For purposes of any tax imposed by section 4973 or 4974 in connection with an individual retirement plan, the return referred to in this section shall be the income tax return filed by the person on whom the tax under such section is imposed for the year in which the act (or failure to act) giving rise to the liability for such tax occurred.

''(B) RULE IN CASE OF INDIVIDUALS NOT REQUIRED TO FILE RETURN.—In the case of a person who is not required to file an income tax return for such year—

''(i) the return referred to in this section shall be the income tax return that such person would have been required to file but for the fact that such person was not required to file such return, and

''(ii) the 3-year period referred to in subsection (a) with respect to the return shall be deemed to begin on the date by which the return would have been required to be filed (excluding any extension thereof).''.

SEC. 314. REQUIREMENT TO PROVIDE PAPER STATEMENTS IN CERTAIN CASES.

(a) IN GENERAL.—Section 105(a)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025(a)(2)) is amended—

(1) in subparagraph (A)(iv), by inserting ''subject to subparagraph (E),'' before ''may be delivered''; and

(2) by adding at the end the following:

''(E) PROVISION OF PAPER STATEMENTS.—With respect to at least 1 pension benefit statement furnished for a calendar year with respect to an individual account plan under paragraph (1)(A), and with respect to at least 1 pension benefit statement furnished every 3 calendar years with respect to a defined benefit plan under paragraph (1)(B), such statement shall be furnished on paper in written form except—

''(i) in the case of a plan that furnishes such statement in accordance with section 2520.104b-1(c) of title 29, Code of Federal Regulations; or

''(ii) in the case of a plan that permits a participant or beneficiary to request that the statements referred to in the matter preceding clause (i) be furnished by electronic delivery, if the participant or beneficiary requests that such statements be delivered electronically and the statements are so delivered.''.

(b) IMPLEMENTATION.—

(1) IN GENERAL.—The Secretary of Labor shall, not later than December 31, 2022, update section 2520.104b-1(c) of title 29, Code of Federal Regulations, to provide that a plan may furnish the statements referred to in subparagraph (E) of section 105(a)(2) by electronic delivery only if, in addition to meeting the other requirements under the regulations—

(A) such plan furnishes each participant or beneficiary, including participants described in subparagraph (B), a one-time initial notice on paper in written form, prior to the electronic delivery of any pension benefit statement, of their right to request that all documents required to be disclosed under title I of the Employee Retirement Income Security Act of 1974 be furnished on paper in written form; and

(B) such plan furnishes each participant who is separated from service with at least 1 pension benefit statement on paper in written form for each calendar year, unless, on election of the participant, the participant receives such statements electronically.

(2) OTHER GUIDANCE.—In implementing the amendment made by subsection (a) with respect to a plan that discloses required documents or statements electronically, in accordance with applicable guidance governing electronic disclosure by the Department of Labor (with the exception of section 2520.104b-1(c) of title 29, Code of Federal Regulations), the Secretary of Labor shall, not later than December 31, 2022, update such guidance to the extent necessary to ensure that—

(A) a participant or beneficiary under such a plan is permitted the opportunity to request that any disclosure required to be delivered on paper under applicable guidance by the Department of Labor shall be furnished by electronic delivery;

(B) each paper statement furnished under such a plan pursuant to the amendment shall include—

(i) an explanation of how to request that all such statements, and any other document required to be disclosed under title I of the Employee Retirement Income Security Act of 1974, be furnished by electronic delivery; and

(ii) contact information for the plan sponsor, including a telephone number;

(C) the plan may not charge any fee to a participant or beneficiary for the delivery of any paper statements;

(D) each paper pension benefit statement shall identify each plan document required to be disclosed and shall include information about how a participant or beneficiary may access each such document;

(E) each document required to be disclosed that is furnished by electronic delivery under such a plan shall include an explanation of how to request that all such documents be furnished on paper in written form; and

(F) a plan is permitted to furnish a duplicate electronic statement in any case in which the plan furnishes a paper pension benefit statement.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to plan years beginning after December 31, 2023.

SEC. 315. SEPARATE APPLICATION OF TOP HEAVY RULES TO DEFINED CONTRIBUTION PLANS COVERING EXCLUDIBLE EMPLOYEES.

(a) IN GENERAL.—Section 416(c)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(C) SEPARATE APPLICATION TO EMPLOYEES NOT MEETING AGE AND SERVICE REQUIREMENTS.—If employees not meeting the age or service requirements of section 410(a)(1) (without regard to subparagraph (B) thereof) are covered under a plan of the employer which meets the requirements of subparagraphs (A) and (B) separately with respect to such employees, such employees may be excluded from consideration in determining whether any plan of the employer meets the requirements of subparagraphs (A) and (B).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to plan years beginning after the date of the enactment of this Act.

SEC. 316. REPAYMENT OF QUALIFIED BIRTH OR ADOPTION DISTRIBUTION LIMITED TO 3 YEARS.

(a) IN GENERAL.—Section 72(t)(2)(H)(v)(I) of the Internal Revenue Code of 1986 is amended by striking ''may make'' and inserting ''may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, make''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of section 113 of the Setting Every Community Up for Retirement Enhancement Act of 2019.

SEC. 317. EMPLOYER MAY RELY ON EMPLOYEE CERTIFYING THAT DEEMED HARDSHIP DISTRIBUTION CONDITIONS ARE MET.

(a) CASH OR DEFERRED ARRANGEMENTS.—Section 401(k)(14) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(C) EMPLOYEE CERTIFICATION.—In determining whether a distribution is upon the hardship of an employee, the administrator of the plan may rely on a certification by the employee that the distribution is on account of a financial need of a type that is deemed in regulations prescribed by the Secretary to be an immediate and heavy financial need and that such distribution is not in excess of the amount required to satisfy such financial need.''.

(b) 403(b) PLANS.—

(1) CUSTODIAL ACCOUNTS.—Section 403(b)(7) of such Code is amended by adding at the end the following new subparagraph:

''(D) EMPLOYEE CERTIFICATION.—In determining whether a distribution is upon the financial hardship of an employee, the administrator of the plan may rely on a certification by the employee that the distribution is on account of a financial need of a type that is deemed in regulations prescribed by the Secretary to be an immediate and heavy financial need and that such distribution is not in excess of the amount required to satisfy such financial need.''.

(2) ANNUITY CONTRACTS.—Section 403(b)(11) of such Code is amended by adding at the end the following: ''In determining whether a distribution is upon hardship of an employee, the administrator of the plan may rely on a certification by the employee that the distribution is on account of a financial need of a type that is deemed in regulations prescribed by the Secretary to be an immediate and heavy financial need and that such distribution is not in excess of the amount required to satisfy such financial need.''.

(c) 457(b) PLAN.—Section 457(d) of such Code is amended by adding at the end the following new paragraph:

''(4) PARTICIPANT CERTIFICATION.—In determining whether a distribution to a participant is made when the participant is faced with an unforeseeable emergency, the administrator of a plan maintained by an eligible employer described in subsection (e)(1)(A) may rely on a certification by the participant that the distribution is made when the participant is faced with unforeseeable emergency of a type that is described in regulations prescribed by the Secretary as an unforeseeable emergency and that the distribution is not in excess of the amount reasonably necessary to satisfy the emergency need.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2022.

SEC. 318. PENALTY-FREE WITHDRAWALS FROM RETIREMENT PLANS FOR INDIVIDUALS IN CASE OF DOMESTIC ABUSE.

(a) IN GENERAL.—Section 72(t)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(I) DISTRIBUTIONS FROM RETIREMENT PLANS IN CASE OF DOMESTIC ABUSE.—

''(i) IN GENERAL.—Any eligible distribution to a domestic abuse victim.

''(ii) LIMITATION.—The aggregate amount which may be treated as an eligible distribution to a domestic abuse victim by any individual shall not exceed an amount equal to the lesser of—

''(I) $10,000, or

''(II) 50 percent of the present value of the nonforfeitable accrued benefit of the employee under the plan.

''(iii) ELIGIBLE DISTRIBUTION TO A DOMESTIC ABUSE VICTIM.—For purposes of this subparagraph—

''(I) IN GENERAL.—A distribution shall be treated as an eligible distribution to a domestic abuse victim if such distribution is from an applicable eligible retirement plan to an individual and made during the 1-year period beginning on any date on which the individual is a victim of domestic abuse by a spouse or domestic partner.

''(II) DOMESTIC ABUSE.—The term 'domestic abuse' means physical, psychological, sexual, emotional, or economic abuse, including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim's ability to reason independently, including by means of abuse of the victim's child or another family member living in the household.

''(iv) TREATMENT OF PLAN DISTRIBUTIONS.—

''(I) IN GENERAL.—If a distribution to an individual would (without regard to clause (ii)) be an eligible distribution to a domestic abuse victim , a plan shall not be treated as failing to meet any requirement of this title merely because the plan treats the distribution as an eligible distribution to a domestic abuse victim, unless the aggregate amount of such distributions from all plans maintained by the employer (and any member of any controlled group which includes the employer) to such individual exceeds the limitation under clause (ii).

''(II) CONTROLLED GROUP.—For purposes of subclause (I), the term 'controlled group' means any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414.

''(v) AMOUNT DISTRIBUTED MAY BE REPAID.—

''(I) IN GENERAL.—Any individual who receives a distribution described in clause (i) may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, make one or more contributions in an aggregate amount not to exceed the amount of such distribution to an applicable eligible retirement plan of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), as the case may be.

''(II) LIMITATION ON CONTRIBUTIONS TO APPLICABLE ELIGIBLE RETIREMENT PLANS OTHER THAN IRAs.—The aggregate amount of contributions made by an individual under subclause (I) to any applicable eligible retirement plan which is not an individual retirement plan shall not exceed the aggregate amount of eligible distributions to a domestic abuse victim which are made from such plan to such individual. Subclause (I) shall not apply to contributions to any applicable eligible retirement plan which is not an individual retirement plan unless the individual is eligible to make contributions (other than those described in subclause (I)) to such applicable eligible retirement plan.

''(III) TREATMENT OF REPAYMENTS OF DISTRIBUTIONS FROM APPLICABLE ELIGIBLE RETIREMENT PLANS OTHER THAN IRAS.—If a contribution is made under subclause (I) with respect to an eligible distribution to a domestic abuse victim from an applicable eligible retirement plan other than an individual retirement plan, then the taxpayer shall, to the extent of the amount of the contribution, be treated as having received such distribution in an eligible rollover distribution (as defined in section 402(c)(4)) and as having transferred the amount to the applicable eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

''(IV) TREATMENT OF REPAYMENTS FOR DISTRIBUTIONS FROM IRAS.—If a contribution is made under subclause (I) with respect to an eligible distribution to a domestic abuse victim from an individual retirement plan, then, to the extent of the amount of the contribution, such distribution shall be treated as a distribution described in section 408(d)(3) and as having been transferred to the applicable eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

''(vi) DEFINITION AND SPECIAL RULES.—For purposes of this subparagraph:

''(I) APPLICABLE ELIGIBLE RETIREMENT PLAN.—The term 'applicable eligible retirement plan' means an eligible retirement plan (as defined in section 402(c)(8)(B)) other than a defined benefit plan.

''(II) EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE TO TRUSTEE TRANSFER AND WITHHOLDING RULES.—For purposes of sections 401(a)(31), 402(f), and 3405, an eligible distribution to a domestic abuse victim shall not be treated as an eligible rollover distribution.

''(III) DISTRIBUTIONS TREATED AS MEETING PLAN DISTRIBUTION REQUIREMENTS; SELF-CERTIFICATION.—Any distribution which the employee or participant certifies as being an eligible distribution to a domestic abuse victim shall be treated as meeting the requirements of sections 401(k)(2)(B)(i), 403(b)(7)(A)(i), 403(b)(11), and 457(d)(1)(A).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after the date of the enactment of this Act.

SEC. 319. REFORM OF FAMILY ATTRIBUTION RULES.

(a) CONTROLLED GROUPS.—Section 414(b) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''For purposes of'' and inserting the following:

''(1) IN GENERAL.—For purposes of'', and

(2) by adding at the end the following new paragraphs:

''(2) SPECIAL RULES FOR APPLYING FAMILY ATTRIBUTION.—For purposes of applying the attribution rules under section 1563 with respect to paragraph (1), the following rules apply:

''(A) Community property laws shall be disregarded for purposes of determining ownership.

''(B) Except as provided by the Secretary, stock of an individual not attributed under section 1563(e)(5) to such individual's spouse shall not be attributed to such spouse by reason of section 1563(e)(6)(A).

''(C) Except as provided by the Secretary, in the case of stock in different corporations that is attributed to a child under section 1563(e)(6)(A) from each parent, and is not attributed to such parents as spouses under section 1563(e)(5), such attribution to the child shall not by itself result in such corporations being members of the same controlled group.

''(3) PLAN SHALL NOT FAIL TO BE TREATED AS SATISFYING THIS SECTION.—If the application of paragraph (2) causes two or more entities to be a controlled group, or to no longer be in a controlled group, such change shall be treated as a transaction to which section 410(b)(6)(C) applies.''.

(b) AFFILIATED SERVICE GROUPS.—Section 414(m)(6)(B) of such Code is amended—

(1) by striking ''OWNERSHIP.—In determining'' and inserting the following: ''OWNERSHIP.—

''(i) IN GENERAL.—In determining'', and

(2) by adding at the end the following new clauses:

''(ii) SPECIAL RULES FOR APPLYING FAMILY ATTRIBUTION.—For purposes of applying the attribution rules under section 318 with respect to clause (i), the following rules apply:

''(I) Community property laws shall be disregarded for purposes of determining ownership.

''(II) Except as provided by the Secretary, stock of an individual not attributed under section 318(a)(1)(A)(i) to such individual's spouse shall not be attributed by reason of section 318(a)(1)(A)(ii) to such spouse from a child who has not attained the age of 21 years.

''(III) Except as provided by the Secretary, in the case of stock in different corporations that is attributed under section 318(a)(1)(A)(ii) to a child who has not attained the age of 21 years from each parent, and is not attributed to such parents as spouses under section 318(a)(1)(A)(i), such attribution to the child shall not by itself result in such corporations being members of the same affiliated service group.

''(iii) PLAN SHALL NOT FAIL TO BE TREATED AS SATISFYING THIS SECTION.—If the application of clause (ii) causes two or more entities to be an affiliated service group, or to no longer be in an affiliated service group, such change shall be treated as a transaction to which section 410(b)(6)(C) applies.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning on or after the date of the enactment of this Act.

SEC. 320. AMENDMENTS TO INCREASE BENEFIT ACCRUALS UNDER PLAN FOR PREVIOUS PLAN YEAR ALLOWED UNTIL EMPLOYER TAX RETURN DUE DATE.

(a) IN GENERAL.—Section 401(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(3) RETROACTIVE PLAN AMENDMENTS THAT INCREASE BENEFIT ACCRUALS.—If—

''(A) an employer amends a stock bonus, pension, profit-sharing, or annuity plan to increase benefits accrued under the plan effective for the preceding plan year (other than increasing the amount of matching contributions (as defined in subsection (m)(4)(A))),

''(B) such amendment would not otherwise cause the plan to fail to meet any of the requirements of this subchapter, and

''(C) such amendment is adopted before the time prescribed by law for filing the return of the employer for a taxable year (including extensions thereof) during which such amendment is effective,

the employer may elect to treat such amendment as having been adopted as of the last day of the plan year in which the amendment is effective.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2023.

SEC. 321. RETROACTIVE FIRST YEAR ELECTIVE DEFERRALS FOR SOLE PROPRIETORS.

(a) IN GENERAL.—Section 401(b)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following: ''In the case of an individual who owns the entire interest in an unincorporated trade or business, and who is the only employee of such trade or business, any elective deferrals (as defined in section 402(g)(3)) under a qualified cash or deferred arrangement to which the preceding sentence applies, which are made by such individual before the time for filing the return of such individual for the taxable year (determined without regard to any extensions) ending after or with the end of the plan's first plan year, shall be treated as having been made before the end of such first plan year.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to plan years beginning after the date of the enactment of this Act.

SEC. 322. LIMITING CESSATION OF IRA TREATMENT TO PORTION OF ACCOUNT INVOLVED IN A PROHIBITED TRANSACTION.

(a) IN GENERAL.—Section 408(e)(2)(A) of the Internal Revenue Code of 1986 is amended by striking ''such account ceases to be an individual retirement account'' and inserting the following: ''the amount involved (as defined in section 4975(f)(4)) in such transaction shall be treated as distributed to the individual''.

(b) CONFORMING AMENDMENTS.—

(1) Section 408(e)(2)(B) of such Code is amended to read as follows:

''(B) ACCOUNT TREATED AS DISTRIBUTING PORTION OF ASSETS USED IN PROHIBITED TRANSACTION.—In any case in which a portion of an individual retirement account is treated as distributed under subparagraph (A) as of the first day of any taxable year, paragraph (1) of subsection (d) applies as if there were a distribution on such first day in an amount equal to the fair market value of such portion, determined as of the date on which the

transaction prohibited by section 4975 occurs.''.

(A) by striking ''ALL ITS ASSETS.—In any case'' and all that follows through ''by reason of subparagraph (A)'' and inserting the following: ''PORTION OF ASSETS USED IN PROHIBITED TRANSACTION.—In any case in which a portion of an individual retirement account is treated as distributed under subparagraph (A)'', and

(B) by striking ''all assets in the account'' and inserting ''such portion''.

(2) Section 4975(c)(3) of such Code is amended by striking ''the account ceases'' and all that follows and inserting the following: ''the portion of the account used in the transaction is treated as distributed under paragraph (2)(A) or (4) of section 408(e).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 323. REVIEW OF PENSION RISK TRANSFER INTERPRETIVE BULLETIN.

Not later than 1 year after the date of enactment of this Act, the Secretary of Labor shall—

(1) review section 2509.95–1 of title 29, Code of Federal Regulations (relating to the fiduciary standards under the Employee Retirement Income Security Act of 1974 when selecting an annuity provider for a defined benefit pension plan) to determine whether amendments to such section are warranted; and

(2) report to Congress on the findings of such review, including an assessment of any risk to participants.

TITLE IV—TECHNICAL AMENDMENTS

SEC. 401. AMENDMENTS RELATING TO SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT OF 2019.

(a) TECHNICAL AMENDMENTS.—

(1) AMENDMENTS RELATING TO SECTION 103.—

(A) Section 401(k)(12)(G) of the Internal Revenue Code of 1986 is amended by striking ''the requirements under subparagraph (A)(i)'' and inserting ''the contribution requirements under subparagraph (B) or (C)''.

(B) Section 401(k)(13)(D)(iv) of such Code is amended by striking ''and (F)'' and inserting ''and (G)''.

(C) Section 401(m)(12) of such Code is amended by striking ''and'' at the end of subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting after subparagraph (A) (as so amended) the following new subparagraph:

''(B) meets the notice requirements of subsection (k)(13)(E), and''.

(2) AMENDMENT RELATING TO SECTION 112.—Section 401(k)(15)(B)(i)(II) of such Code is amended by striking ''subsection (m)(2)'' and inserting ''paragraphs (2), (11), and (12) of subsection (m)''.

(3) AMENDMENT RELATING TO SECTION 114.—Section 401(a)(9)(C)(iii) of such Code is amended by striking ''employee to whom clause (i)(II) applies'' and inserting ''employee (other than an employee to whom clause (i)(II) does not apply by reason of clause (ii))''.

(4) AMENDMENT RELATING TO SECTION 116.—Section 4973(b) of such Code is amended by adding at the end of the flush matter the following: ''Such term shall not include any designated nondeductible contribution (as defined in subparagraph (C) of section 408(o)(2)) which does not exceed the nondeductible limit under subparagraph (B) thereof by reason of an election under section 408(o)(5).''.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the section of the Setting Every Community Up for Retirement Enhancement Act of 2019 to which the amendment relates.

(b) CLERICAL AMENDMENTS.—

(1) Section 408(o)(5)(A) of such Code is amended by striking ''subsection (b)'' and inserting ''section 219(b)''.

(2) Section 72(t)(2)(H)(vi)(IV) of such Code is amended by striking ''403(b)(7)(A)(ii)'' and inserting '' 403(b)(7)(A)(i)''.

TITLE V—ADMINISTRATIVE PROVISIONS

SEC. 501. PROVISIONS RELATING TO PLAN AMENDMENTS.

(a) IN GENERAL.—If this section applies to any retirement plan or contract amendment—

(1) such retirement plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subsection (b)(2)(A); and

(2) except as provided by the Secretary of the Treasury (or the Secretary's delegate), such retirement plan shall not fail to meet the requirements of section 411(d)(6) of the Internal Revenue Code of 1986 and section 204(g) of the Employee Retirement Income Security Act of 1974 by reason of such amendment.

(b) AMENDMENTS TO WHICH SECTION APPLIES.—

(1) IN GENERAL.—This section shall apply to any amendment to any retirement plan or annuity contract which is made—

(A) pursuant to any amendment made by this Act or pursuant to any regulation issued by the Secretary of the Treasury or the Secretary of Labor (or a delegate of either such Secretary) under this Act; and

(B) on or before the last day of the first plan year beginning on or after January 1, 2024, or such later date as the Secretary of the Treasury may prescribe.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), or an applicable collectively bargained plan, this paragraph shall be applied by substituting ''2026'' for ''2024''. For purposes of the preceding sentence, the term ''applicable collectively bargained plan'' means a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before the date of enactment of this Act.

(2) CONDITIONS.—This section shall not apply to any amendment unless—

(A) during the period—

(i) beginning on the date the legislative or regulatory amendment described in paragraph (1)(A) takes effect (or in the case of a plan or contract amendment not required by such legislative or regulatory amendment, the effective date specified by the plan); and

(ii) ending on the date described in paragraph (1)(B) (as modified by the second sentence of paragraph (1)) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect; and

(B) such plan or contract amendment applies retroactively for such period.

(c) COORDINATION WITH OTHER PROVISIONS RELATING TO PLAN AMENDMENTS.—

(1) SECURE ACT.—Section 601(b)(1) of the Setting Every Community Up for Retirement Enhancement Act of 2019 is amended—

(A) by striking ''January 1, 2022'' in subparagraph (B) and inserting ''January 1, 2024'', and

(B) by striking ''substituting '2024' for '2022'.'' in the flush matter at the end and inserting ''substituting '2026' for '2024'.''.

(2) CARES ACT.—

(A) SPECIAL RULES FOR USE OF RETIREMENT FUNDS.—Section 2202(c)(2)(A) of the CARES Act is amended by striking ''January 1, 2022'' in clause (ii) and inserting ''January 1, 2024''.

(B) TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTIONS RULES FOR CERTAIN RETIREMENT PLANS AND ACCOUNTS.—Section 2203(c)(2)(B)(i) of the CARES Act is amended—

(i) by striking ''January 1, 2022'' in subclause (II) and inserting ''January 1, 2024'', and

(ii) by striking ''substituting '2024' for '2022'.'' in the flush matter at the end and inserting ''substituting '2026' for '2024'.''.

(C) TAXPAYER CERTAINTY AND DISASTER TAX RELIEF ACT OF 2020.—Section 302(d)(2)(A) of the Taxpayer Certainty and Disaster Tax Relief Act of 2020 is amended by striking ''January 1, 2022'' in clause (ii) and inserting ''January 1, 2024''.

TITLE VI—REVENUE PROVISIONS

SEC. 601. SIMPLE AND SEP ROTH IRAS.

(a) IN GENERAL.—Section 408A of the Internal Revenue Code of 1986 is amended by striking subsection (f).

(b) RULES RELATING TO SIMPLIFIED EMPLOYEE PENSIONS.—

(1) CONTRIBUTIONS.—Section 402(h)(1) of such Code is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) in the case of any contributions pursuant to a simplified employer pension which are made to an individual retirement plan designated as a Roth IRA, such contribution shall not be excludable from gross income.''.

(2) DISTRIBUTIONS.—Section 402(h)(3) of such Code is amended by inserting '', or section 408A(d) in the case of an individual retirement plan designated as a Roth IRA'' before the period at the end.

(3) ELECTION REQUIRED.—Section 408(k) of such Code is amended by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively, and by inserting the after paragraph (6) the following new paragraph:

''(7) ROTH CONTRIBUTION ELECTION.—An individual retirement plan which is designated as a Roth IRA shall not be treated as a simplified employee pension under this subsection unless the employee elects for such plan to be so treated (at such time and in such manner as the Secretary may provide).''.

(c) RULES RELATING TO SIMPLE RETIREMENT ACCOUNTS.—

(1) ELECTION REQUIRED.—Section 408(p) of such Code is amended by adding at the end the following new paragraph:

''(11) ROTH CONTRIBUTION ELECTION.—An individual retirement plan which is designated as a Roth IRA shall not be treated as a simple retirement account under this subsection unless the employee elects for such plan to be so treated (at such time and in such manner as the Secretary may provide).''.

(2) ROLLOVERS.—Section 408A(e) of such Code is amended by adding at the end the following new paragraph:

''(3) SIMPLE RETIREMENT ACCOUNTS.—In the case of any payment or distribution out of a simple retirement account (as defined in section 408(p)) with respect to which an election has been made under section 408(p)(11) and to which 72(t)(6) applies, the term 'qualified rollover contribution' shall not include any payment or distribution paid into an account other than another simple retirement account (as so defined).''.

(d) COORDINATION WITH ROTH CONTRIBUTION LIMITATION.—Section 408A(c) of such Code is amended by adding at the end the following new paragraph:

''(7) COORDINATION WITH LIMITATION FOR SIMPLE RETIREMENT PLANS AND SEPS.—In the case of an individual on whose behalf contributions are made to a simple retirement account or a simplified employee pension,

the amount described in paragraph (2)(A) shall be increased by an amount equal to the contributions made on the individual's behalf to such account or pension for the taxable year, but only to the extent such contributions—

''(A) in the case of a simplified retirement account—

''(i) do not exceed the sum of the dollar amount in effect for the taxable year under section 408(p)(2)(A)(ii) and the employer contribution required under subparagraph (A)(iii) or (B)(i), as the case may be, of section 408(p)(2), and

''(ii) do not cause the elective deferrals (as defined in section 402(g)(3)) on behalf of such individual to exceed the limitation under section 402(g)(1) (taking into account any additional elective deferrals permitted under section 414(v)), or

''(B) in the case of a simplified employee pension, do not exceed the limitation in effect under section 408(j).''.

(e) CONFORMING AMENDMENT.—Section 408A(d)(2)(B) of such Code is amended by inserting '', or employer in the case of a simple retirement account (as defined in section 408(p)) or simplified employee pension (as defined in section 408(k)),'' after ''individual's spouse''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2022.

SEC. 602. HARDSHIP WITHDRAWAL RULES FOR 403(b) PLANS.

(a) IN GENERAL.—Section 403(b) of the Internal Revenue Code of 1986, as amended by the preceding provisions of this Act, is amended by adding at the end the following new paragraph:

''(16) SPECIAL RULES RELATING TO HARDSHIP WITHDRAWALS.—For purposes of paragraphs (7) and (11)—

''(A) AMOUNTS WHICH MAY BE WITHDRAWN.—The following amounts may be distributed upon hardship of the employee:

''(i) Contributions made pursuant to a salary reduction agreement (within the meaning of section 3121(a)(5)(D)).

''(ii) Qualified nonelective contributions (as defined in section 401(m)(4)(C)).

''(iii) Qualified matching contributions described in section 401(k)(3)(D)(ii)(I).

''(iv) Earnings on any contributions described in clause (i), (ii), or (iii).

''(B) NO REQUIREMENT TO TAKE AVAILABLE LOAN.—A distribution shall not be treated as failing to be made upon the hardship of an employee solely because the employee does not take any available loan under the plan.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 403(b)(7)(A)(i)(V) of such Code is amended by striking ''in the case of contributions made pursuant to a salary reduction agreement (within the meaning of section 3121(a)(5)(D))'' and inserting ''subject to the provisions of paragraph (16)''.

(2) Paragraph (11) of section 403(b) of such Code, as amended by the preceding provisions of this Act, is amended—

(A) by striking ''in'' in subparagraph (B) and inserting ''subject to the provisions of paragraph (16), in'', and

(B) by striking the penultimate sentence.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2022.

SEC. 603. ELECTIVE DEFERRALS GENERALLY LIMITED TO REGULAR CONTRIBUTION LIMIT.

(a) APPLICABLE EMPLOYER PLANS.—Section 414(v)(1) of the Internal Revenue Code of 1986 is amended by adding at the end the following: ''Except in the case of an applicable employer plan described in paragraph (6)(A)(iv), the preceding sentence shall only apply if contributions are designated Roth contributions (as defined in section 402A(c)(1)).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 402(g)(1) of such Code is amended by striking subparagraph (C).

(2) Section 457(e)(18)(A)(ii) of such Code is amended by inserting ''the lesser of any designated Roth contributions made by the participant to the plan or'' before ''the applicable dollar amount''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2022.

SEC. 604. OPTIONAL TREATMENT OF EMPLOYER MATCHING CONTRIBUTIONS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(a) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (2) as paragraph (3), by striking ''and'' at the end of paragraph (1), and by inserting after paragraph (1) the following new paragraph:

''(2) any designated Roth contribution which is made by the employer to the program on the employee's behalf, and on account of the employee's contribution, elective deferral, or (subject to the requirements of section 401(m)(13)) qualified student loan payment, shall be treated as a matching contribution for purposes of this chapter, except that such contribution shall not be excludable from gross income, and''.

(b) MATCHING INCLUDED IN QUALIFIED ROTH CONTRIBUTION PROGRAM.—Section 402A(b)(1) of such Code is amended—

(1) by inserting '', or to have made on the employee's behalf,'' after ''elect to make'', and

(2) by inserting '', or of matching contributions which may otherwise be made on the employee's behalf,'' after ''otherwise eligible to make''.

(c) DESIGNATED ROTH MATCHING CONTRIBUTIONS.—Section 402A(c)(1) of such Code is amended by inserting ''or matching contribution'' after ''elective deferral''.

(d) MATCHING CONTRIBUTION DEFINED.—Section 402A(e) of such Code is amended by adding at the end the following:

''(3) MATCHING CONTRIBUTION.—The term 'matching contribution' means—

''(A) any matching contribution described in section 401(m)(4)(A), and

''(B) any contribution to an eligible deferred compensation plan (as defined in section 457(b)) by an eligible employer described in section 457(e)(1)(A) on behalf of an employee and on account of such employee's elective deferral under such plan.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of the enactment of this Act.

TITLE VII—BUDGETARY EFFECTS

SEC. 701. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the order of the House today, the gentleman from Massachusetts (Mr. NEAL) and the gentleman from Texas (Mr. BRADY) each will control 40 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. NEAL. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 2954 will help all Americans successfully save for a secure retirement by expanding coverage and increasing retirement savings, simplifying the current retirement system and protecting Americans' retirement accounts.

Retirement security has consistently been one of my top priorities as chairman of the Committee on Ways and Means. Too many workers in this Nation reach retirement age without having the savings they need. In fact—and I hope people will listen to this number—it is estimated that up to 50 percent of the individuals in America who go to work every single day do not have enrollment in a qualified retirement plan. That means those households are at risk of not having enough to maintain their living standards in retirement.

We need to do more to encourage workers to begin planning for retirement earlier and we need to make saving considerably easier.

Last Congress, Mr. BRADY and I worked together on a bipartisan basis to do that by enacting the SECURE Act, one of the most significant retirement bills to become law in well over a decade.

Thanks to the SECURE Act, 4 million more Americans are now able to save for retirement through their employers, and as many as 700,000 new retirement accounts will be formed.

Last year, we built on this progress with the passage into law, my legislation, the Butch Lewis Act. After years of fighting for a solution to the multiemployer pension crisis, the Butch Lewis Act saved multiemployer pension plans from insolvency and secured the financial future of over a million workers and retirees who have played by the rules and made responsible savings decisions. Think of that and couple it with what we are about to do today with the guarantee of Social Security, and we will help to improve the opportunity for members of American families to have a secure retirement.

Madam Speaker, but more work needs to be done. That is why I am pleased the H.R. 2954, the Securing a Strong Retirement Act of 2022, is before us today.

This bipartisan legislation—and by bipartisan, let me thank Mr. BRADY again for his good work on this legislation as well—will expand automatic enrollment in 401(k) plans by requiring 401(k), 403(b), and SIMPLE plans to automatically enroll participants upon becoming eligible, with the ability for employees to opt out of coverage—which I think, by the way, is not the best idea, but we do provide that option. Expansion of automatic enrollment will significantly increase participation in retirement savings plans at work.

H.R. 2954 also enhances the start-up credit, making it easier for small businesses to sponsor a retirement plan. And the legislation increases the required minimum distribution age to 75 and indexes the catch-up contribution limit for individual retirement accounts. These changes will make it

easier for American families to prepare for a financially secure retirement.

On a related note, I think it is important to highlight that U.S. defined contribution plans have created a unique reservoir of capital in the innovation economy. Retirement plans are investing in areas such as tech, financial services, digital commerce, and biotech. That means that workers' retirement assets are directly tying middle-class workers to our national innovation economy. That certainly is a win-win for all of us.

Madam Speaker, I am really pleased that Ranking Member BRADY and I were able to come together on a bipartisan basis to develop this important legislation. Once again, it passed the Committee on Ways and Means unanimously. Our efforts have resulted in an excellent product that has broad support from organizations representing diverse interests, including retirees, charitable organizations, financial services providers, police officers, small businesses, and employers. The list of specific supporters is too long to read but we can start with the American Red Cross, AARP, and many others, which we will submit for the RECORD. Hundreds of groups have endorsed this plan.

Let's work together to expand retirement savings in America.

Madam Speaker, I urge my colleagues to support this legislation, and I reserve the balance of my time.

Mr. BRADY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am pleased to join with my friend, Chairman RICH NEAL, in jointly reintroducing SECURE 2.0, which will help hardworking Americans approach retirement with both confidence and dignity.

For 5 years now, members of the Committee on Ways and Means have worked tirelessly together to ensure Americans have the resources to save for a secure retirement. A lot of hard work and negotiation has gotten us to this point, and I am grateful to Chairman NEAL for his commitment to get this bill across the finish line to the President's desk.

It is important to remember how far we have come in our joint efforts to help Americans better prepare for their long-term financial goals. Following the historic rewrite of our Tax Code with the Tax Cuts and Jobs Act, Republicans moved toward building on this success for years to come.

That happened when the Republicans and Democrats worked together to develop and enact the Setting Every Community Up for Retirement Enhancement Act, known as the SECURE Act, the most significant retirement legislation to become law in over a decade.

We made it easier for Main Street businesses to offer retirement plans to their workers by easing administrative burdens, cutting down on unnecessary and often costly paperwork.

The SECURE Act made significant improvements to our country's retirement system. And today, we will do even more.

A recent AARP survey found that rising prices are taking a big toll on workers, making it difficult to cover everyday expenses or save for the future. In fact, with a 40-year high inflation, nearly a quarter of workers surveyed reported that their financial situation is worse today than it was last year.

A study also found that nearly 40 percent of workers said that they have no emergency savings, with one out of five reporting they have nothing saved for retirement. Nothing.

□ 1615

Both groups peg rising prices of everyday goods as the biggest barrier for planning for their financial future.

Ensuring Americans have the resources they need for a prosperous retirement is a bipartisan priority. And with American families' paychecks falling further behind through rising prices, it has really never been more important for Congress to help workers get back on track with their retirement plans.

With this bill we build on the landmark provisions in the SECURE Act, enabling more workers, especially those with low income and modest income, to begin saving earlier and giving them piece of mind as they plan for the future.

Our bill, SECURE 2.0 improves workers' long-term financial wellbeing by helping more Americans save for retirement at every stage of their life. SECURE 2.0 contains more than 20 provisions sponsored or cosponsored by Republicans and Democrats in standalone legislation.

By providing flexibility, for example, we make it easier for local businesses to tailor retirement plans to best fit the needs of their workers. These reforms help Americans not only save earlier in their careers, but helps families save longer as well.

We expand access to workplace retirement by increasing the incentives for businesses, especially small businesses, to create new plans or join groups of plans while sharing the cost of administration.

To further help small businesses shoulder the burden of creating a new plan, our bill matches employer contributions with the new business tax credit. That can help a small business match up to the first $1,000 in matching contributions for that work.

For those Americans who are further along in their career or already in retirement, this bill raises the amount these workers can contribute to catch up on their retirement savings as they near retirement, doubling it to $10,000 a year. Because we want Americans to save throughout their lifetime, together we increase the age at which retirement plan distributions become mandatory to age 75 over time from 72 today.

These changes are especially important because many workers find themselves making more at the end of their careers and are more open to focusing on retirement. Those already in retirement often worry about the effects of mandatory taxable distributions on their long-term financial plans.

Another recent study by Edward Jones and Morning Consult found 57 percent of Americans who prioritize paying off a student loan are now behind on their schedule on saving for retirement. Our bill allows employers to essentially match their workers' student loan repayments with contributions to the workers' retirement plan.

This means from workers struggling to make ends meet under crushing student debt and rising prices, they are able to tackle both, paying off their debt and getting help in working toward a secure retirement.

Madam Speaker, I want to thank Chairman NEAL and the members of the Ways and Means Committee from both parties for their long-term and diligent efforts. Together, we will ensure more hardworking Americans are confident in their retirement.

Madam Speaker, I reserve the balance of my time.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from California (Mr. THOMPSON), a real champion of retirement savings.

Mr. THOMPSON of California. Madam Speaker, I thank Chairman NEAL and Ranking Member BRADY for their hard work on this important piece of legislation.

The Securing a Strong Retirement Act of 2021 is bipartisan legislation that gives workers the tools they need to retire with the financial stability they deserve and worked so hard to obtain.

Importantly, this legislation allows individuals to pay down a student loan instead of contributing to a 401(k) plan while still receiving an employer match in their retirement plan.

I have heard from thousands of individuals in my district who are facing an overwhelming amount of student loan debt. These are people who are struggling to start their careers while also trying to pay off their loans. The SECURE Act provides the opportunity to make payments on their student loans now while also investing in their future.

I am proud to support this legislation that we are hearing today, and I thank you for this great bipartisan bill that you have put before us.

Mr. BRADY. Madam Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. SMITH), the Republican leader of the Trade Subcommittee.

Mr. SMITH of Nebraska. Madam Speaker, I am glad we are finally considering SECURE 2.0, which will help every American family save. The Savers Credit improvements in this bill will help low-income families start putting aside money for the future, certainly a key to getting out of poverty.

The enhanced credit for small employers offering retirement plans will

help more businesses offer plans, an important factor in recruiting and retaining talent.

New tools—like allowing employers to match workers' student loan repayments with retirement contributions—eliminate the need for young workers to choose between paying their debt or saving for retirement.

Provisions like enhanced catch-up contributions and delaying required minimum distributions until age 75 will help older workers have more control as they near retirement. This is a strong package for savers of all ages.

Madam Speaker, I thank the chairman and the ranking member for their efforts to get this to the floor and I certainly urge support.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Connecticut (Mr. LARSON), a real champion of retirement savings, including all things Social Security.

Mr. LARSON of Connecticut. Madam Speaker, I thank Chairman NEAL and Leader BRADY—what an outstanding example of bipartisan cooperation. But especially as it relates to what has amounted to a financial retirement crisis, this clearly will help aid in the work that has already been done by Chairman NEAL with regard to both the SECURES Act and the Butch Lewis Act, but this even adds more flexibility and also provides an automatic opportunity for people to put money forward.

I went to the Aetna School of Insurance and they said there are three legs on this table: personal savings, pension, and Social Security. This helps address the pension issue as no one can. Again, I want to commend Mr. NEAL and Mr. BRADY for their efforts, and point out that we have another leg on that stool that is called Social Security that Congress hasn't addressed in more than 50 years. I commend the chairman as we go through the process of markup on that as well.

Mr. BRADY. Madam Speaker, I yield 1 minute to the gentleman from Arizona (Mr. SCHWEIKERT).

Mr. SCHWEIKERT. Madam Speaker, it is neat to see us actually have something that we are all doing together.

A bit of trivia, at the end of this decade, 22 percent of our population will be 65 or older. Retirement security is—besides just the moral imperative—it is going to be the financial, it is going to be the driver of almost all sovereign debt.

Look, there are a couple dozen provisions in this legislation, and in many ways they look like tinkering, but they come together. If you happen to have a profession where you have a mandatory retirement age that might be 60, 65, the ability to do catch-up—to be a small business and knowing what you can contribute to your 401(k) when you are doing your taxes instead of trying to guess at the end of the year—these things all come together.

We are also going to have to look forward in the coming year and deal with the reality of what did inflation do to the cost of future retirement? The taxation on, really, gain, that isn't purchasing power, but is inflation. This is a terrific first step and it is neat to have us do something together.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND), another real champion of retirement savings.

Mr. KIND. Madam Speaker, I rise in strong support of Securing a Strong Retirement Act, or SECURE 2.0, as it is being referred to. This falls on the heels of passage of the SECURE Act roughly 2 years ago, to try to make it easier for individuals to save for their retirement security, especially for small businesses to offer retirement savings plans for their employees, which has traditionally been a big black hole when it comes to individual savings.

I am proud that a few of the provisions in this legislation have been based on legislation I have been working on throughout the years with my friend and colleague from Pennsylvania (Mr. KELLY). We offered legislation that would extend the startup tax credit to small employers that joined multiemployer plans.

Again, with Mr. KELLY, this allows 403(b) plans to participate in MEPS, including pooled employer plans, or PEPS, as they are known under the SECURE Act.

Finally, there has been an anomaly in the tax code that we are addressing in part trying to make it easier for S corporations to be able to convert to an ESOP model, or an employee share ownership plan. It is a very good business model, but we are trying to bring that on par with C corporations.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NEAL. Madam Speaker, I yield an additional 30 seconds to the gentleman.

Mr. KIND. This has been a great bipartisan effort in committee. Again, I thank the chairman and the ranking member for creating the environment not just with today's legislation, but the previous SECURE Act that we passed roughly 2 years ago, and the ongoing work that we will have.

My friend from Arizona is right, with 70 million baby boomers beginning their massive retirement, we have to figure out ways to make it easier for individuals to save for their own retirement and for future generations to participate and get a head start. I believe this legislation accomplishes that.

Mr. BRADY. Madam Speaker, I yield 1½ minutes to the gentleman from Illinois (Mr. LAHOOD).

Mr. LAHOOD. Madam Speaker, I rise today in support of SECURE 2.0. As a member of the Ways and Means Committee, I thank Chairman NEAL and Ranking Member BRADY for their bipartisan work on this legislation that will help workers save for retirement at all stages of their career and protect American futures.

This bill includes two key provisions that I was proud to work on, Retirement Parity for Student Loans Act and the Public Service Retirement Fairness Act.

The Retirement Parity for Student Loans Act allows workers to make student loan payments while receiving employer matching contributions into their retirement plan. This will allow individuals to pay down student loan debt and save for retirement at the same time.

The Public Service Retirement Fairness Act creates parity between the public and private sectors, ensuring public-sector and nonprofit retirement-saving programs have the same access to low-cost investments as private sector retirement plans.

SECURE 2.0 supports workers at all stages to save for retirement, helps small businesses create retirement plan options, and builds on bipartisan success of the SECURE Act passed last Congress.

Madam Speaker, I want to thank my colleagues that worked in a bipartisan effort for their work on this vital legislation, and I urge my colleagues to vote ''yes''.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentlewoman from California (Ms. CHU), another real champion of retirement savings.

Ms. CHU. Madam Speaker, I rise in strong support of H.R. 2954, the Securing a Strong Retirement Act. This bill continues the work the Ways and Means Committee began 2 years ago with the SECURE Act to expand access to retirement savings and enhance retirement readiness for millions of Americans across the country.

I am especially proud of provisions drawn from my bill, the Encouraging Americans to Save Act, that strengthens the Saver's Credit. This credit provides millions of low- and middle-income taxpayers with an incentive to save for retirement each year. But currently it is split into three tiers of 10, 20, or 50 percent.

This legislation not only directs the IRS to promote the credit to more communities, including those with limited English proficiency, but also makes it both simpler and more generous by setting it at 50 percent for all eligible taxpayers.

Madam Speaker, I urge a ''yes'' vote on this bill.

Mr. BRADY. Madam Speaker, I yield 1 minute to the gentleman from Kansas (Mr. ESTES).

Mr. ESTES. Madam Speaker, today I rise in support of SECURE 2.0. Since my time as Kansas State Treasurer and a member of the Ways and Means Committee, increased retirement security for Americans of all ages has been a major policy priority for me.

Building on our great success with the SECURE Act in 2019, SECURE 2.0 includes a number of provisions for new employees and near-retirees, like my bill to improve the required minimum distribution rules, and my bill that

would make it easier for employees to save for retirement and pay off their student loans.

Employers who are part of an employee stock ownership plan—like the Kansas workers I have talked to at Inland Truck Parts, Conco, and others—benefit from the bipartisan ESOP provisions in SECURE 2.0.

The bill also ensures public-sector and nonprofit retirement programs have the same access to low-cost retirements, just like for-profit retirement plans.

It allows individuals who have decided to pay down a student loan instead of contributing to a 401(k) to still receive an employee match for their retirement plans.

These commonsense retirement security reforms deserve to be law, and I strongly encourage my colleagues to vote ''yes'' on SECURE 2.0.

□ 1630

Mr. NEAL. Madam Speaker, I am pleased to yield 1 minute to the gentleman from California (Mr. PANETTA), another real champion of Social Security and retirement.

Mr. PANETTA. Madam Speaker, I rise in support of H.R. 2954, the SECURE 2.0.

This bipartisan legislation would make it easier for something that has been getting harder and harder, saving for retirement for workers and working families.

I commend the chairman and the ranking member for their very, very hard work, and I thank them for including two of my bipartisan bills in SECURE 2.0.

My Public Service Retirement Fairness Act ensures that retirement savings programs for nonprofits and the public sector have the same access to low-cost investments as private-sector plans.

This bill would greatly benefit many teachers and nonprofit employees who serve in my district and also have to spend an inordinate amount on housing by providing them access to affordable retirement plans.

My Family Attribution Modernization Act, which I worked on with my good friend, JODEY ARRINGTON, is also included in SECURE 2.0.

This bill would modernize outdated family attribution rules so that women-owned businesses and other small businesses in community property States, like California, have more flexibility and independence.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NEAL. Madam Speaker, I yield the gentleman an additional 30 seconds.

Mr. PANETTA. Madam Speaker, these bills, along with many, many other provisions in this bipartisan legislation, are commonsense solutions for the futures and the retirements of working families. That is why, Madam Speaker, I urge a ''yes'' vote for SECURE 2.0.

Mr. BRADY. Madam Speaker, I am proud to yield 1 minute to the gentleman from Pennsylvania (Mr. KELLY).

Mr. KELLY of Pennsylvania. Madam Speaker, I think we should mark this down, March 29, 2022, the day that the people who were elected and came to represent our folks back home actually got together and did something on the House floor that was good for everybody in America.

We are not firing bullets back and forth at each other. We are saying: Do you know what? Isn't it great, when we work together, what we can get done.

Mr. KIND and I were walking over together, and he said: MIKE, I am really happy this happened because there is a lot in there that we both worked on, and it looks like it is going to put a little more gold in our retirees' pockets when they hit their golden years.

But this is one thing the press will never cover. They will never say: My God, these Republicans and Democrats got together for American workers to make sure that they go into retirement and lay their heads on pillows at night and sleep because they know they have enough to get through the rest of their lives.

What a moment. What a moment.

I have to tell you, I am so proud to be a part of this. I thank Mr. BRADY and Mr. NEAL.

For both sides of the aisle, why don't we use this as an example as we move forward as to what the heck we are supposed to do for the people who sent us here to represent them?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BRADY. Madam Speaker, I yield an additional 30 seconds to the gentleman.

Mr. KELLY of Pennsylvania. Madam Speaker, I thank Kara Getz, from Chairman NEAL's staff, and Payson Peabody, from Ranking Member BRADY's staff, for working together on this. They get so little credit for all the midnight oil they burn to make sure that we can get legislation done. I thank them so much, not just for me but for all the retirees and future retirees we have in this country.

Mr. NEAL. Madam Speaker, might I inquire of the ranking member how many more speakers he might have.

Mr. BRADY. Madam Speaker, I have a few more.

Mr. NEAL. Madam Speaker, I reserve the balance of my time.

Mr. BRADY. Madam Speaker, I am really proud to yield 1 minute to the gentleman from North Carolina (Mr. MURPHY).

Mr. MURPHY of North Carolina. Madam Speaker, I rise today in support of SECURE Act 2.0.

When our military members pledge a commitment to the United States, we promise, in return, to care for them and their families. As the proud Representative of close to 90,000 veterans in North Carolina, I am committed to supporting strong legislation that improves the lives of our veterans and their families.

When servicemembers change base assignments, their spouses often relocate with them, putting their own careers at stake and on hold. The SECURE Act prioritizes military family retirements by providing a tax credit for small employers that make more benefit plans available for military spouses.

Incentivizing job creators to hire and retain military spouses is an important step to strengthening military family retirement savings.

I am proud of the bipartisan effort by the Ways and Means Committee to lead the charge to support our military families, who so often face many uphill challenges in attaining retirement security. We must always fight for those who have given us so much to keep our safety.

Mr. NEAL. Madam Speaker, I continue to reserve the balance of my time.

Mr. BRADY. Madam Speaker, first, I include in the RECORD a number of letters and documents in support of SECURE 2.0.

Among a litany of letters advocating for swift passage, there are four I would like to include. These letters are led by the Employee-owned S Corporations of America, the American Benefits Council, the American Retirement Association, and the Investment Company Institute, all of which were invaluable members in crafting this bipartisan legislation.

EMPLOYEE-OWNED
S CORPORATIONS OF AMERICA,
Washington, DC, March 24, 2022.

Hon. RICHARD NEAL,
Chairman, Committee on Ways & Means, Washington, DC.
Hon. KEVIN BRADY,
Ranking Member, Committee on Ways & Means, Washington, DC.

DEAR CHAIRMAN NEAL AND RANKING MEMBER BRADY: Employee-Owned S Corporations of America (''ESCA'') applauds your efforts to advance the bipartisan Securing a Strong Retirement Act. We are particularly supportive of the inclusion of a key provision reflecting themes of legislation introduced by Committee members Ron Kind and Jason Smith to encourage the creation of more private, employee-owned businesses. We thank you for recognizing the value of S corporation ESOPs to worker retirement savings, and for reflecting that recognition in your important legislation.

ESCA is the national voice for employee-owned S corporations, and its exclusive mission is to preserve and promote employee-owned S corporations and the benefits provided to their employee-owners. Most S corporation employee stock ownership plans (''S ESOPS'') are 100-percent owned by their employees. Our S ESOP companies engage in a broad spectrum of business activities ranging from manufacturing to construction to playing critical supporting roles such as retail grocery stores and other essential functions to America's infrastructure.

As you know well, S corporation ESOPs were created 25 years ago with significant bipartisan support from Congress. Today S ESOPs accomplish exactly what Congress intended: they create jobs, generate economic activity, and promote retirement savings.

Both specifically for S ESOP employees and more generally, your bill will increase retirement savings opportunities at a time when more than 30 percent of Americans do not have access to a workplace retirement plan and 20 percent of Americans have no retirement savings at all. By contrast, we note, the vast majority of S ESOP companies offer their workers two retirement plans—typically the ESOP plus a 401(k). This focus on retirement security is a hallmark of employee-owned companies.

A new study conducted by the National Center for Employee Ownership found that, heading into and during the pandemic, employees at S ESOP companies had greater job retention and retirement security, including more than twice the average total retirement savings of Americans who work at non-ESOP companies.

We appreciate you recognizing the value of having more S corporation ESOP companies and look forward to working with you to continue to identify more ways to enable more working Americans to be employee-owners.

Thank you for your leadership.

Sincerely,

STEPHANIE SILVERMAN,
President and CEO.

DEAR PAIGE: I am writing on behalf of the American Benefits Council to express our support for bipartisan retirement security legislation that will soon be considered on the floor of the U.S. House of Representatives. This important legislation follows in the tradition of the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019.

The forthcoming ''SECURE 2.0'' bill reflects a thoroughness and thoughtfulness that provides enormous value to the American worker by expanding access to workplace retirement plans and removing barriers to financial well-being. We have recently completed a study of the enormously beneficial impact of the past 25 years of bipartisan retirement legislation:

Millions of Americans are facing short-term challenges that need critical attention. But it is also important to continue our work on enhancing retirement security because of the harmful effect of the pandemic on savings and retirement programs, which were facing challenges even before the pandemic. As we rebuild our economy, part of that effort needs to include even greater attention to the role of retirement programs that have been jeopardized. We look forward to continued progress in the field of retirement security and stand ready to assist in those efforts.

LYNN DUDLEY,
Senior Vice President, Global Retirement and Compensation Policy, American Benefits Council.

DIANN HOWLAND,
Vice President, Legislative Affairs, American Benefits Council.

AMERICAN RETIREMENT ASSOCIATION,
Arlington, VA, March 28, 2022.

Re Letter of Support for the Securing a Strong Retirement Act of 2022.

Hon. RICHARD NEAL,
Chairman, Ways & Means Committee,
House of Representatives, Washington, DC.
Hon. BOBBY SCOTT,
Chairman, Education & Labor Committee,
House of Representatives, Washington, DC.
Hon. KEVIN BRADY,
Ranking Member, Ways & Means Committee,
House of Representatives, Washington, DC.
Hon. VIRGINIA FOXX,
Ranking Member, Education & Labor Committee,
House of Representatives, Washington, DC.

DEAR CHAIRMAN NEAL, RANKING MEMBER BRADY, CHAIRMAN SCOTT, AND RANKING MEMBER FOXX: On behalf of the over 30,000 members of the American Retirement Association (ARA), we hereby express our support for the Securing a Strong Retirement Act of 2022. We commend you for championing this important piece of bipartisan retirement legislation.

The ARA is the coordinating entity for its five underlying affiliate organizations representing the full spectrum of America's private retirement system—the American Society of Enrolled Actuaries (ASEA), the American Society of Pension Professionals and Actuaries (ASPPA), the National Association of Plan Advisors (NAPA), the National Tax-Deferred Savings Association (NTSA), and the Plan Sponsor Council of America (PSCA). The ARA's members include organizations of all sizes and industries across the nation who sponsor and/or support retirement saving plans and are dedicated to expanding on the success of employer-sponsored plans. The ARA and its underlying affiliate organizations are diverse but united in their common dedication to the success of America's private retirement system.

The Securing a Strong Retirement Act of 2022 (SSRA) builds upon the success of the Setting Every Community Up for Retirement Enhancement (SECURE) Act to make it even easier for small businesses to adopt and maintain a workplace-based retirement savings plan. The SSRA further increases the small employer pension plan start-up credit to cover 100 percent of the cost to small employers to implement a 401(k) plan for the first three years. The SSRA creates an additional new credit to encourage small employers to make direct contributions to their 401(k) plan for their employees, offsetting up to $1,000 of these employer contributions for each participating employee.

The SSRA contains several policy items championed by the American Retirement Association. The first item gives employers more time to adopt beneficial discretionary retirement plan amendments up until the due date of the employer's tax return. This new deadline to adopt a beneficial discretionary amendment is consistent with the deadline to adopt a new retirement plan that was provided for in the SECURE Act. This provision gives employers with existing retirement plans the flexibility to make their 401(k) plans more generous to rank and files workers after the end of the year. The second item corrects and modernizes the outdated and unfair family attribution rules to ensure women business owners are not penalized if they happen to have minor children or live in a community property state. A third item would broaden the scope of the SECURE Act's pooled employer plan or open multiple employer plan provisions to allow unrelated public education and other non-profit employers to join a single 403(b) plan.

The SSRA also creates a retirement plan matching program to encourage employees to pay off student loans. The latest version of this program addresses a problem that ARA identified about the impact this new retirement plan design feature could have with the special test that applies to 401(k) plans called the average deferral percentage (ADP) test. Since that problem has been fixed in this bill, small businesses will now not have to worry that this benefit puts their retirement plan testing at risk.

While the SSRA has many good provisions, it is not perfect. The ARA remains concerned about the provision in the bill (Section 314) that would require at least one participant benefit statement be mailed in a paper format given the impact on the environment as well as plan and participant costs. ARA supports the provision that would direct the Department of Labor, Treasury, and the Pension Benefit Guaranty Corporation to issue a report recommending ways to consolidate, simplify, standardize, and improve the various retirement plan disclosure requirements. The ARA will continue to work with Congress on ways to ensure retirement plan participants are effectively accessing the required disclosures.

But on balance the Securing a Strong Retirement Act of 2022 builds upon the success of the workplace-based retirement system and is yet another example of the extensive history of bipartisan legislating in this critical policy area. The ARA thanks Chairman Neal, Ranking Member Brady, Chairman Scott, and Ranking Member Foxx for your hard work and results to improve and enhance the retirement savings of the American workforce and would urge Congress to enact this bill into law.

Sincerely,

BRIAN H. GRAFF, Esq. APM,
Executive Director/CEO,
American Retirement Association.

INVESTMENT COMPANY INSTITUTE,
Washington, DC, March 28, 2022.

Re. Securing a Strong Retirement Act of 2022.

Hon. RICHARD NEAL,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, DC.
Hon. KEVIN BRADY,
Ranking Member, Committee on Ways and Means,
House of Representatives, Washington, DC.
Hon. BOBBY SCOTT,
Chairman, Committee on Education and Labor,
House of Representatives, Washington, DC.
Hon. VIRGINIA FOXX,
Ranking Member, Committee on Education and Labor
House of Representatives, Washington, DC.

DEAR CHAIRMEN NEAL AND SCOTT AND RANKING MEMBERS BRADY AND FOXX: On behalf of the Investment Company Institute (ICI), I commend your leadership on the bipartisan Securing a Strong Retirement Act of 2022 or SECURE Act 2.0, which would expand access to retirement savings plans and improve Americans' ability to save.

The ICI urges the House of Representatives to pass this landmark bipartisan bill as soon as possible and work with the Senate on a unified package of retirement-savings reforms.

The ICI notes that the bill would:

Allow savers to keep their retirement savings invested longer by increasing the age for required minimum distributions from retirement accounts to 75 from 72;

Ensure that workers get the same ''bang for their buck'' for their retirement saving efforts over time by indexing individual retirement account (IRA) catch-up contribution limits to inflation;

Broaden the ability of employers of various sizes, across different industries to band together in a new type of multiple-employer

retirement plan—called a ''pooled employer plan'' or ''PEP''—created by the original SECURE Act;

Streamline and clarify information retirement savers receive concerning increasingly popular target date funds by allowing use of a single benchmark for the funds that more appropriately tracks its asset allocation;

Allow employer matching contributions based on student loan payments; and

Simplify and clarify more than a dozen retirement plan rules.

We hope that the legislation can be further improved by allowing 403(b) plans to invest in collective investment trusts.

We wholeheartedly support these provisions and believe your legislation is vitally important to the country and the financial well-being of millions of Americans. SECURE Act 2.0 would strengthen our nation's retirement-savings system by expanding coverage, further increasing savings opportunities, and streamlining administrative rules. We look forward to seeing its enactment into law.

Sincerely,

ERIC J. PAN,
President & CEO,
Investment Company Institute.

Mr. BRADY. Madam Speaker, I reserve the balance of my time.

Mr. NEAL. Madam Speaker, we are waiting on one more speaker. If Mr. BRADY has anybody else he wants to thank, that would be great.

I reserve the balance of my time.

Mr. BRADY. Actually, never make that offer to a sitting Member of Congress.

Madam Speaker, I yield myself such time as I may consume.

This has been awfully good work on behalf of the bipartisan Members of Congress on an issue they believe in. But Chairman NEAL and I are both blessed to have incredibly hardworking personnel, a professional team.

Madam Speaker, I thank Payson Peabody and Derek Theurer, from our tax subcommittee team, for the work that they put in, along with Chairman NEAL's folks, to develop this legislation, fine-tune the legislation, make adjustments as it comes to the floor, and, again, put it in the format and with the right designs that we think will do great things for the American people and American workers.

Madam Speaker, I reserve the balance of my time.

Mr. NEAL. Madam Speaker, I include in the RECORD a letter that has been signed by 50 different charities in support of this legislation.

MARCH 27, 2022.

Hon. RICHARD NEAL,
Chair, Ways and Means Committee,
House of Representatives.
Hon. BOBBY SCOTT,
Chair, Education & Labor Committee,
House of Representatives.
Hon. KEVIN BRADY,
Ranking Member, Ways and Means Committee,
House of Representatives.
Hon. VIRGINIA FOXX,
Ranking Member, Education & Labor Committee,
House of Representatives.

DEAR CHAIRMEN NEAL AND SCOTT AND RANKING MEMBERS BRADY AND FOXX: On behalf of the undersigned nonprofits, including charities and faith-based organizations, we want to express our strong support for the inclusion of the Legacy IRA Act in the bipartisan Securing a Strong Retirement Act (H.R. 2954, section 310). The Legacy IRA Act was originally introduced as H.R. 2909 by Representatives Don Beyer (D–VA–08) and Mike Kelly (R–PA–16).

We appreciate you placing a priority on families in America who are saving for retirement and simplifying the retirement system through the broader Securing a Strong Retirement Act. Specifically, the Legacy IRA provision will encourage more charitable giving by enabling seniors to make tax-free contributions from their traditional IRAs to charities through life-income plans. It is an important piece of broader efforts to increase charitable giving to enable nonprofits to continue to provide critical services in local communities such as health research and patient education, food assistance, domestic violence services, childcare, youth homeless shelters, and cultural and arts programming.

Many of our organizations are dependent on private philanthropy, including gift planning. We believe the Legacy IRA provision simply offers seniors another philanthropic option and would incentivize more giving to help charities while helping middle-income seniors who need a lifetime income.

We strongly support the inclusion of the Legacy IRA Act in the Securing a Strong Retirement Act and urge the House of Representatives to approve this measure. America is stronger when everyone has the opportunity to give, to get involved, and to strengthen their communities.

Sincerely,

ALS Association, Alternate ROOTS, Alzheimer's Association, American Alliance of Museums, American Cancer Society Cancer Action Network, American Council on Gift Annuities, American Heart Association, American Lung Association, American Red Cross, Americans for the Arts, Arab Community Center for Economic and Social Services (ACCESS), Association of Art Museum Directors, Association of Fundraising Professionals, Big Brothers Big Sisters of America, Boys & Girls Clubs of America, Catalyst of San Diego & Imperial Counties, Council for Advancement and Support of Education, Council for Christian Colleges & Universities, Council on Foundations, Covenant House International, DANCE/USA, Florida Philanthropic Network, Girl Scouts of the USA, Girls Inc., Goodwill Industries International, Inc., Grantmakers in the Arts, Habitat for Humanity International, Hemophilia Federation of America.

Independent Sector, JDRF, Jewish Federations of North America, Leadership 18, League of American Orchestras, Lutheran Services in America, March of Dimes, Mental Health America, Momentum Nonprofit Partners, National Alliance on Mental Illness, National Association of Charitable Gift Planners, National Community Action Partnership, National MS Society, New York Funders Alliance, OPERA America, Performing Arts Alliance, Philanthropy Ohio, Philanthropy Southeast, Providence, Social Current, The Nonprofit Alliance, The Salvation Army USA, Theatre Communications Group, UNICEF USA, United Philanthropy Forum, Volunteers of America, Wabash College, YMCA of the USA, YWCA USA.

Mr. NEAL. Madam Speaker, I also include in the RECORD a letter from the AARP supporting this legislation.

AARP,
March 28, 2022.

Hon. RICHARD NEAL,
Chair, Committee on Ways and Means, Washington, DC.
Hon. ROBERT SCOTT,
Chair, House Committee on Education and Labor, Washington, DC.
Hon. KEVIN BRADY,
Ranking Member, Committee on Ways and Means, Washington, DC.
Hon. VIRGINIA FOXX,
Ranking Member, House Committee on Education and Labor, Washington, DC.

DEAR CHAIRS NEAL AND SCOTT, RANKING MEMBERS BRADY AND FOXX:

On behalf of our 38 million members and all older Americans nationwide, AARP appreciates your leadership to improve retirement savings opportunities via the Securing a Strong Retirement Act of 2022. While Social Security continues to be the bedrock of retirement income for most American workers and their families, individuals want and need additional retirement income sources. Your bipartisan legislation would make several significant enhancements to current law.

AARP strongly supports the provision in this bill that would provide an annual paper statement of benefits to ensure families know where they stand when saving for retirement. As the U.S. increasingly relies on individual account-based retirement savings, workers and their families must timely understand, monitor, and manage their lifetime savings. Full and meaningful disclosure is critical to individual planning and pension law generally. As such, to be effective, Congress needs to ensure all workers and plan participants will receive and can review important retirement plan documents in the form that most workers and families want. No document is more fundamental than an individual's annual benefit statement. AARP also supports the optional delivery—and retention—of important information electronically.

The Securing a Strong Retirement Act also takes important steps towards improving worker access to retirement plans. Under this bill, more people who work part-time will be able to enroll in their employers' retirement savings plans by allowing them to save after only two (rather than three) years of employment. More than 27 million employees across the country work less than full-time. This provision will be especially helpful to the many older workers who can only find part-time work or need to work part-time due to caregiving responsibilities. In addition, employers with more than ten employees would be required to automatically enroll workers in new retirement savings plans under this bill. This provision will help many employees benefit from automatic savings tools.

For workers who are struggling to save for retirement, the bill expands the current SAVERS tax credit to provide an enhanced matching contribution to millions of additional low- and moderate-income families. The matching contribution is both an incentive for individuals to save for retirement while also providing additional retirement funds.

Additionally, the creation of a national retirement Lost and Found database will help workers locate retirement accounts they may have had with previous employers. This is increasingly important as more and more workers change jobs several times over the course of their careers. The legislation also establishes limitations and safeguards for retirees who may have mistakenly received plan overpayments, including allowing a retirement plan to forego recouping the overpayment. Finally, we urge the retention of

the pretax option for catch-up contributions to help the 50+ save for retirement.

We look forward to continuing to work with you to help every American adequately save for retirement in order to be independent as they age.

Sincerely,

BILL SWEENEY,
Senior Vice President,
Government Affairs.

Mr. NEAL. Madam Speaker, I reserve the balance of my time.

Mr. BRADY. Madam Speaker, I yield myself such time as I may consume.

I think one of the things I am most proud of in this legislation began almost 2 years ago. After the passage of the SECURE Act, Chairman NEAL and I sat down on the floor talking about what more we could do to help people save for retirement.

What we both talked about is what everyone knows exists, the savings gap, and what little is being done to address it. This is the gap of how many Americans will spend their lifetime and save virtually nothing. When it is time to retire, their retirement isn't in their hands. It is all owed to government or other help.

We decided we would do the hard work to try to engage millions of Americans. We know who they are. They don't make lots of money. It is low income or moderate income. They usually work for a very small business. They are the toughest to be able to begin getting into that savings environment.

We designed this bill to really focus on those who have not saved in the past and, unless we do something differently, were not going to be saving for the future.

That is why so much of this bill is designed around them. That is why we help small businesses set up plans.

Here is what we know, Madam Speaker. To have a secure retirement, we need to make sure a business offers a plan.

Secondly, we need to make sure that worker is part of that plan.

Thirdly, we need to have those contributions matched.

Fourthly, you need to save more over time as your income increases.

This bill really takes significant steps to make sure small businesses are offering those plans and get help matching those first thousand dollars.

We use the saver's credit, which is pretty unused these days, and muscle it up, make it more available to help those with low income provide those first dollars.

Then, we make the changes so it is easier for small businesses to either start their own plan or pool with others, as we did in the SECURE Act, all of which we think are the elements to close that saver's gap and give Americans who really had no chance to save an opportunity to do that.

That is what, in my view, is the importance of this legislation, why I am proud of the work.

Chairman NEAL and the Republican and Democrat members of our committee worked together beautifully on this bill. I think this is an important one that I urge the Senate to take up and pass as well.

Madam Speaker, I yield the balance of my time to the gentleman from Georgia (Mr. ALLEN), and I ask unanimous consent that he may control the remainder of the time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. NEAL. Madam Speaker, I yield myself such time as I may consume.

Oftentimes in this Chamber, you will hear the phrase ''transformative.'' Sometimes it is hyperbolic, but on this occasion, this is transformative legislation.

We have fundamentally changed the opportunities for retirement for the American family, for millions and millions of people. I want to acknowledge the work of the ranking member on this, Mr. BRADY, because his input has been invaluable in helping to get to this moment.

We are proud of this work. We are helping Americans prepare for a secure retirement. The catch-up provisions alone are startling in this legislation.

Remember, there are a lot of people in America who are trying to simultaneously educate their children and save for retirement. It is a real challenge.

The catch-up provisions here mean that if people wish to work longer or begin to set aside more prescribed dollars for retirement because they couldn't do it during certain years of paying college expenses, we provide that opportunity.

This has been meaningful for Members on both sides. I have heard Members on the Republican side point out their contributions to it, and they are entirely correct.

We, on our side, have also included Mr. DAVIS' legislation that ensures workers with student loans don't miss out on 401(k) matching contributions. Representative MURPHY's legislation to increase the required minimum distribution age to 75 is here as well.

We created a higher catch-up contribution amount for those years just before retirement, a provision particularly important for pilots who have a mandatory retirement age. That was a priority of Representatives Sanchez and Pascrell.

Mr. KIND's bills have been included. His legislation fixing a problem with startup credits and multiple employer plans is here as well.

SECURE 2.0 contains Representative CHU's legislation that would enhance the saver's credit, which was also a priority for Representative SEWELL.

We have included Representative PANETTA's legislation that provides 403(b) custodial accounts that are permitted to invest in collective investment trusts, as well as his legislation reforming family attribution rules.

We have included Representative SEWELL's legislation to reduce by 1 year the period of service requirement for long-term part-time workers to participate in 401(k) plans. This provision is particularly important for women who tend to work part-time more frequently than men.

Mr. SUOZZI contributed legislation that would direct Treasury to issue regulations addressing a glitch with respect to insurance-dedicated exchange-traded funds.

Mr. BEYER's legislation is included. That was important to the charitable community and would, among other things, index the inflation rate for annual IRA charitable distribution limits.

The bill includes Representative MOORE's legislation that would provide penalty-free withdrawals from retirement plans for individuals in case of domestic abuse.

We have included Representative EVANS' legislation directing the Labor Department to update its disclosure rules to allow better comparisons amongst investments to aid participant decisionmaking.

Finally, we have included Representative PASCRELL's legislation that would allow first responders to exclude service-connected disability pension plans and payments from their gross income after they reach retirement age. That also touches upon Representative HIGGINS' ESOP Fairness Act.

□ 1645

Mr. BRADY noted earlier, and let me reinforce, the exceptional work of the Ways and Means Committee staff on this occasion. As I have said many times before, we are blessed with amongst the brightest, smartest, and hardest working staff members in Congress. Let me thank MaiLan Rodgers for her work and Kara Getz, who has been integral to the development of not only this legislation but also the SECURE Act and the Butch Lewis Act, both of which became law.

The SECURE Act was one of the most significant retirement opportunities, and this legislation will become law, I hope, in the near future. Let's not wait another decade to enact the important provisions of this legislation. This bill goes a long way in addressing this country's retirement crisis.

I want to point out something I said earlier. Half the people who get up and go to work every day in America are not in a qualified retirement plan. We need to continue to address that issue.

This is important legislation. I know it will pass. I think the last time this legislation came to the floor, all but four Members of this Chamber voted for this legislation.

I thank Mr. BRADY, again, for his good work and the good work of his staff.

Madam Speaker, I yield the balance of my time to the gentleman from Virginia (Mr. SCOTT), and I ask unanimous consent that he be permitted to control the remainder of the time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SCOTT of Virginia. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 2954, the Securing a Strong Retirement Act of 2022, which incorporates the bipartisan Retirement Improvement and Savings Enhancement Act, or RISE Act, that the Committee on Education and Labor approved by voice vote last fall.

I thank the gentleman from Massachusetts (Mr. NEAL) for his hard work in incorporating this legislation into SECURE 2.0. Our committee was able to reach a bipartisan agreement on the RISE Act, thanks in large part to the leadership of the chairman and ranking member of our Subcommittee on Health, Employment, Labor, and Pensions, the gentleman from California (Mr. DESAULNIER) and the gentleman from Georgia (Mr. ALLEN). I want to recognize them and thank them for their important contributions to this bill.

American workers deserve a decent wage and the ability to retire with dignity and security. Unfortunately, far too many Americans are working later in their lives and still relying on the next paycheck to cover monthly expenses. This legislation makes meaningful improvements to our retirement system, helping Americans prepare for and achieve the secure retirement that they deserve.

I am particularly pleased that this bill incorporates several key priorities authorized by Committee on Education and Labor members.

For example, it includes legislation sponsored by the gentlewoman from Oregon (Ms. BONAMICI), the chair of the Subcommittee on Civil Rights and Human Services, which creates an online retirement lost-and-found database at the Department of Labor to help workers locate their hard-earned retirement savings as they move from job to job. According to the Government Accountability Office, more than 25 million people who changed jobs between 2004 and 2014 left behind one or more retirement accounts. Establishing this kind of database at the Department of Labor is necessary and long overdue.

The bill includes legislation sponsored by the gentlewoman from North Carolina (Ms. MANNING) that reduces barriers preventing part-time workers from participating in their employer's retirement savings plans. This simple change will benefit many part-time workers, particularly women.

It also includes legislation sponsored by the gentleman from Indiana (Mr. MRVAN) requiring the Department of Labor to review and update guidance from the mid-1990s regarding pension risk transfers.

Importantly, Madam Speaker, this bill offers an opportunity to send a message to workers and retirees across the country that their retirement security is a critical priority for every Member of this House.

Madam Speaker, I urge my colleagues to support the bill, and I reserve the balance of my time.

Mr. ALLEN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support of H.R. 2954, which includes the text of the Education and Labor Committee's bipartisan Retirement Improvement and Savings Enhancement Act, the RISE Act, H.R. 5891, a bill that I was proud to cosponsor with the distinguished chairman of the Education and Labor Committee and Ranking Member FOXX.

This bipartisan legislation is a much-needed push toward modernization that our country's retirement system needs. Our economy has evolved and so have the ways Americans plan for retirement.

Neither employers nor employee benefit plans fit into the same cookie-cutter policies they did when the Employee Retirement Income Security Act of 1974 was first enacted. The RISE Act and H.R. 2954 include reforms that will benefit America's workforce and job creators.

Worker access to employer-sponsored retirement plans has improved over the last three decades, and participation has grown. Today, more workers are saving and saving more in employer-sponsored plans.

However, there remains room for improvement, as too many Americans still lack access to these benefits. This legislation is a major step toward providing reasonable solutions to solve the problems hindering Americans from being able to save for a secure future.

Building on the SECURE Act of 2019, the RISE Act and H.R. 2954 expand multiple and pooled employer plans, giving charities, educational institutions, and nonprofit organizations the opportunity to offer affordable retirement plans. Expanding pooled employer plans give small businesses access to more affordable plans by allowing them to band together, decreasing the costs and burdens associated with sponsoring a plan and providing more Americans with an opportunity to save.

Allowing small businesses and nonprofits the opportunity to offer competitive retirement plans so they can attract workers is extremely important, as the labor shortage has hit them the hardest.

Additionally, the RISE Act and H.R. 2954 will allow employers to offer small financial incentives to employees for participating in a retirement plan. This will help encourage employees to start preparing for retirement earlier in their careers, which is vital for employee contributions to earn years of compounding benefits for their retirement accounts.

Finally, this bill expands access to retirement savings for part-time workers who otherwise would be limited from participating in the employer plan. Removing barriers to saving ensures more Americans have a secure and self-sufficient retirement. Red tape and unnecessary barriers must not keep employees from building a strong retirement.

The RISE Act and H.R. 2954 also ease the burden of administering retirement accounts by removing unnecessary disclosure requirements. The legislation directs the Department of Labor, Department of the Treasury, and the Pension Benefit Guaranty Corporation to simplify reporting and disclosure regulations, streamline the collection of contributions to pooled employer plans, and update benchmarking guidelines to accommodate a broader selection of plan investments.

Importantly, retirement professionals themselves are in support of the RISE Act. Organizations like the American Benefits Council, the Insured Retirement Institute, the American Retirement Association, and the SPARK Institute are supportive of this legislation.

Workers and plan sponsors alike can see that the RISE Act will make commonsense reforms and improve the lives and futures of the American worker. The RISE Act offers creative and practical solutions to the problems in our retirement system.

As legislators, we must take action to tackle issues that affect the daily lives of our constituents. As a businessman, I know firsthand the issues that are affecting American workers that can be improved upon.

This legislation will improve the retirement security for millions of Americans. I urge my colleagues to join in support, and I look forward to its passage in the House and for these reforms to be ultimately signed into law.

Madam Speaker, I reserve the balance of my time.

Mr. SCOTT of Virginia. Madam Speaker, I yield 3 minutes to the gentlewoman from North Carolina (Ms. MANNING), a distinguished member of the Committee on Education and Labor.

Ms. MANNING. Madam Speaker, I thank Chairman SCOTT for yielding me this time.

Madam Speaker, I rise in strong support of the Securing a Strong Retirement Act.

Today, too many workers face difficulty saving for retirement. Even for those who have access to retirement plans, it can be difficult to grow and protect hard-earned savings.

There are roughly 55 million Americans who lack access to a retirement savings plan at work, with many lacking any retirement savings at all. This is particularly true for women. Approximately 50 percent of women ages 55 to 66 have no personal retirement savings, compared to 47 percent of men, and only 22 percent of women have $100,000 or more in savings, compared to 30 percent of men.

Women are also more likely than men to work in part-time jobs that don't qualify for a retirement plan and are more likely than men to quit work, transfer jobs, or interrupt their careers to care for family members, resulting in lower retirement savings.

This is why I am proud to have my bill, the Improving Part-Time Workers Access to Retirement Act, included in this important legislation. This provision will make it easier for long-term part-time workers to access retirement by shortening the amount of time they are required to work for their employer in order to participate in their 401(k) plan. This will have an important impact on the ability of women and low-wage workers to be able to save for retirement.

As a member of the House Education and Labor Committee and a strong supporter of college affordability, I am also pleased that this legislation will allow borrowers the option to pay down their student loans while still receiving an employer match in their retirement plan. This commonsense approach to retirement savings will help the nearly 46 million Americans facing student loan debt become more financially stable while overcoming the barriers too many in our country face upon graduating, like advancing in their career, buying a home, or starting a family.

SECURE 2.0 will help workers save more longer, improve flexibility and protections for Americans' retirement accounts, and eliminate some of the barriers small businesses face in providing comprehensive retirement options to their employees.

These are bipartisan, commonsense provisions that will better serve workers and employers across our country. I strongly urge my colleagues to vote in favor of this critical legislation.

Mr. ALLEN. Madam Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. WALBERG), my good friend.

Mr. WALBERG. Madam Speaker, I rise in support of the Securing a Strong Retirement Act.

As an entire generation moves closer to retirement, we must ensure our laws are up to date to help Americans achieve their retirement goals.

Last Congress, we passed the SECURE Act, which made significant improvements to our Nation's retirement policies. Today, we are building upon that success to ensure Americans can live their golden years with dignity.

I would like to highlight one provision of this bill, which incorporates a bipartisan policy I have long championed with my colleague, Representative SABLAN. Our provision will reduce the administrative costs for employers sponsoring retirement plans for their employees.

Businesses often cite limited financial resources as a key reason for not offering retirement benefits. The Retirement Plan Modernization Act would ease the administrative burdens on employers, especially small businesses, enabling more small businesses to offer retirement benefits and ensure employees are not needlessly paying higher fees.

I thank both the Committee on Education and Labor and the Committee on Ways and Means for including text from our bill in H.R. 2954.

Madam Speaker, the Securing a Strong Retirement Act will enhance opportunities for Americans to save for retirement. I urge all Members to support it.

□ 1700

Mr. SCOTT of Virginia. Madam Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. MRVAN), a distinguished member of the Committee on Education and Labor.

Mr. MRVAN. Madam Speaker, I thank Chairman SCOTT for allowing me the time.

I rise today in support of H.R. 2954, the Securing a Strong Retirement Act. I am grateful for the bipartisan collaboration to produce this legislation that makes commonsense improvements to our Nation's retirement system.

There are far too many challenges today that prevent workers from having access to secure retirement benefits and information to protect their hard-earned savings.

I also appreciate the inclusion of the provisions of my legislation, the Pension Risk Transfer Accountability Act, which requires the Department of Labor to review existing rules on pension risk transfers.

A promise made should be a promise kept for all workers and retirees.

I encourage all my colleagues to support this legislation to further ensure that workers can retire with dignity, security, and peace of mind.

Mr. ALLEN. Madam Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. KELLER), another good friend.

Mr. KELLER. Madam Speaker, I thank the gentleman from Georgia. I rise in support of the Securing a Strong Retirement Act. As part of the Education and Labor Committee, our goal is to provide employers and employees with opportunities to access a safe, effective, and productive workplace.

We also work on policy that encourages people to save for retirement and provides opportunities for their families. This bill accomplishes both by improving employer-sponsored benefits to help workers make good decisions that will serve them well in the future.

The bill increases access to retirement accounts, lowers the cost of administering programs for small businesses, and provides incentives for workers to voluntarily put money towards savings.

It also requires the Department of Labor to review existing reporting and disclosure requirements, making them easier to comply with and understand, updates the dollar threshold for automatic distributions by plans to participants which was last updated in 1997.

It streamlines the collection of contributions to pooled employer plans and updates benchmarking guidelines to accommodate different investment products. The bill also adds tax incentives for small businesses that offer employee stock ownership plans, a great tool and benefit for employees to have a stake with their employer.

The Employee Retirement Income Security Act of 1974 set a foundation for today's policies, but the measure needs to be updated to reflect the 21st century workforce.

I urge my colleagues to support this important measure and look forward to this legislation becoming law.

Mr. SCOTT of Virginia. Madam Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. BLUMENAUER), a distinguished member of the Committee on Ways and Means and chair of its Subcommittee on Trade.

Mr. BLUMENAUER. Madam Speaker, I appreciate the chairman's courtesy for permitting me to speak on this issue and his leadership on an issue that concerns us all.

We are facing a retirement crisis in this country. Too many people do not have adequate resources. The aging population is exploding, and we have seen financial uncertainty in the midst of the COVID crisis, in particular.

I am pleased that we are able to come together as a Congress on a bipartisan basis to advance this legislation.

Recently, we watched people come together dealing with trade relations with Russia, ratcheting up sanctions on a bipartisan basis, and this is another strong signal, I think.

I also appreciate Chairman NEAL for his leadership in spearheading the SECURE 2.0 which takes the Oregon auto-enrollment model to the Federal level and provides new incentives to promote and expand employee stock ownership plans, ESOPs.

I have long supported ESOPs as a successful model that provides a company's workers with retirement savings through their investment in their employee stock. I have been stunned at the stories I have heard about people who have what one would think are unexceptional jobs who, through this mechanism, have been able to retire with significant savings as a result.

Now, by giving employees skin in the game, the ESOP structure produces employees that are more likely to set aside money for retirement. They can retire earlier and worry less about retirement income.

The companies that use this mechanism are fundamentally different. We have seen in times of economic strife, employee ESOP-owned companies are more generous with their employees. They are slower to lay people off, they bring them back, and, in fact, they are more profitable.

It is an encouraging mechanism that I think epitomizes the best of the American ingenuity and the creation of wealth.

This is a structure that works and one that is being expanded by this legislation. By allowing for a deferral of gain on a small amount of the proceeds of sales of employer stock to an ESOP, there will be even more companies incented to sell stock to ESOPs, promoting and expanding this innovative model.

I am honored to support this legislation. I hope that we will be able to promote greater awareness and understanding of this powerful model. This is an important step forward.

Mr. ALLEN. Madam Speaker, I yield 5 minutes to the gentlewoman from North Carolina (Ms. FOXX), our great Republican leader.

Ms. FOXX. Madam Speaker, I thank my colleague from Georgia for yielding me time.

H.R. 2954 includes the text of the RISE Act, a bill that I am proud to lead with Chairman SCOTT of the Education and Labor Committee.

This bill was born out of true bipartisan collaboration, and I am pleased at the progress we have made with our colleagues across the aisle.

Hardworking Americans deserve the opportunity to save for a secure future, yet too many workers aren't putting anything towards their retirement nest egg.

By removing the red tape tying up job creators and providing incentives for workers to save more, this legislation will strengthen and modernize America's retirement system, so our Nation's workers, retirees, and employers are better served.

It truly is a much-needed step in the right direction. Practical solutions like the RISE Act and H.R. 2954 are a win for job creators, workers, and our Nation's economic future.

I urge my colleagues to vote ''yes''.

Madam Speaker, I would like to inquire if the distinguished chairman of the Education and Labor Committee would be willing to engage in a colloquy with me about the matter of furnishing paper ERISA disclosures to participants and beneficiaries.

I yield to the chairman.

Mr. SCOTT of Virginia. I would be happy to enter into a colloquy with my colleague.

Ms. FOXX. I thank the chairman.

Madam Speaker, the underlying bill includes an imperfect provision requiring retirement plans to provide a paper statement annually.

The bill also directs the Department of Labor to revise its 2002 and 2020 safe harbor regulations to conform with this requirement.

While I support the bill, I have serious concerns about this blunt provision which would undermine DOL's 2002 and 2020 e-delivery safe harbor regulations. Participants in plans have been relying on the 2002 safe harbor regulations for nearly 20 years.

The Committee on Education and Labor has dedicated considerable time to this issue. I do not consider this a settled matter, and I will continue to engage with my House and Senate colleagues to find a workable solution that simplifies and modernizes the disclosure requirements for retirement plans.

Mr. SCOTT of Virginia. Will the gentlewoman yield?

Ms. FOXX. I yield to the gentleman from Virginia.

Mr. SCOTT of Virginia. Madam Speaker, I thank the ranking member for yielding to me and for her comments.

It is my understanding that our staffs will continue their efforts, along with their Senate counterparts, to try to find a path forward on this issue that balances the interests of plan sponsors and the retirement plan participants.

Ms. FOXX. Madam Speaker, reclaiming my time, I thank the chairman for his willingness to continue working on this issue together.

Again, I urge a ''yes'' vote on the bill.

Mr. SCOTT of Virginia. Madam Speaker, I yield 3 minutes to the gentlewoman from Oregon (Ms. BONAMICI), the chair of the Subcommittee on Civil Rights of the Education and Labor Committee.

Ms. BONAMICI. Madam Speaker, I thank Chairman SCOTT for yielding, and I thank him for his leadership on this and so many important issues in the Education and Labor Committee.

I rise in strong support of the Securing a Strong Retirement Act of 2022 or SECURE 2.0, which makes important and bipartisan improvements that will improve enrollment in and access to retirement savings plans.

As employers have shifted from pension plans to retirement plans such as 401(k)'s, workers have increasingly become responsible for tracking, managing, and consolidating their retirement accounts when they change jobs.

There is no standard way for workers to consolidate their accounts, and many workers actually lose track of their hard-earned investments.

According to a Government Accountability Office report, about 25 million people changed jobs between 2004 and 2014 and left one or more retirement accounts behind. This problem is only expected to grow as young workers transition between jobs at greater rates than previous generations.

The SECURE Act 2.0 includes provisions from my Retirement Savings Lost and Found Act which will help address the challenge of tracking retirement savings. My bill creates a national lost-and-found registry for retirement accounts housed at the Department of Labor.

The lost-and-found registry will provide workers with a centralized way to track their retirement accounts, and it will also help workers claim their hard-earned retirement funds regardless of how often they transition from job to job.

I strongly support the commonsense improvements in the SECURE Act 2.0, including the creation of a retirement savings lost-and-found registry which will help working families retire with dignity.

I urge all of my colleagues to vote in favor of passage of this important legislation.

Mr. ALLEN. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, the goal of every American is to retire with security and dignity. The RISE Act and H.R. 2954 will help workers do just that. This bill will expand the availability of private retirement programs to more Americans.

Neither small businesses, nor nonprofits and educational institutions should be prohibited from accessing the benefits offered to larger retirement plans.

Building on the success of the SECURE Act of 2019, this legislation cuts red tape, streamlines reporting and disclosure requirements, and provides American workers retirement.

I thank the chairman and our Republican leader for their commitment to bipartisanship and for defending the committee's important jurisdiction over retirement issues in this bill.

I urge my colleagues to vote in favor of H.R. 2954, and I yield back the balance of my time.

Mr. SCOTT of Virginia. Madam Speaker, I yield myself the balance of the time.

Madam Speaker, as my colleagues have said, the bill makes meaningful and sensible improvements to America's retirement system. It will help workers, retirees, and employers.

I again congratulate my Education and Labor Committee colleagues who have authored provisions in this bill, and I want to recognize and thank the ranking member of the Committee on Education and Labor, Dr. Foxx, and her staff for their partnership and work on this important bill with my staff which includes Kevin McDermott, Richard Miller, Daniel Foster, and Eli Hovland who have worked hard on this bill from start to finish.

Madam Speaker, I urge all Members to support the bill, and I yield back the balance of my time.

Mr. DANNY K. DAVIS of Illinois. Madam Speaker, I strongly support the Securing a Strong Retirement Act because it will strengthen the retirement coverage and savings of millions of Americans. I applaud the many provisions included to expand retirement coverage and savings, such as automatic enrollment in the retirement plans, modernizing the Saver's Credit, creating new incentives to small businesses to offer retirement plans, and increasing charitable donations permitted through an IRA.

I thank Chairman NEAL for including my bill, the Retirement Parity for Student Loans Act, that promotes increased retirement savings through an employer match for employees making student loan payments. By allowing employers to contribute an employer-match into a retirement plan based on an employee's student loan payment, younger workers who currently cannot afford to save for their retirement will begin saving much sooner.

Although over three-quarters of Americans have access to an employment-based retirement savings account, few Americans can make the maximum contribution of $19,500 to their retirement savings. Any contribution to retirement savings is particularly limited for millennials struggling with heavy student loan debt. The average student loan balance for 2019 graduates was $32,731, and only 30 percent of young workers use 401(k) programs to save for retirement. This policy is an important tool for employers to retain their workforce and for workers to improve retirement savings and lower educational debt.

I urge passage of this bill that does so much to expand retirement coverage and savings to improve workers' long-term financial well-being.

Mr. DESAULNIER. Madam Speaker, Americans are living longer than ever before—about 30 years longer, on average, than a century ago. To quote the founder of the Stanford Center on Longevity, ''longevity is . . . among the greatest opportunities we have had in human history.''

Those extra years mean more time spent with family and friends and enjoying retirement.

Unfortunately, while life expectancy increases, Americans are falling behind on retirement savings.

More than 4 in 10 American adults have less than $25,000 saved for retirement.

And the coronavirus pandemic has made it worse. According to a recent study, 1 in 5 Americans said they are saving less for retirement due to the pandemic's impact on their finances.

We need to act now to correct course to improve retirement savings.

The Securing a Strong Retirement Act is a comprehensive, bipartisan bill that eliminates many of the hurdles to workers enrolling in and remaining in retirement savings plans.

As a former small business owner and as the current Chair of the Health, Employment, Labor, and Pensions Subcommittee, I have seen firsthand how reforms like the ones in this bill can help people live happier lives into their retirement.

Importantly, this legislation incorporates the RISE Act, which I was proud to co-author with the Chairman of the full Committee Chairman SCOTT, Ranking Member FOXX, and the Ranking member of my HELP Subcommittee Mr. ALLEN. Through that effort, we can:

Help part-time workers join an employers' retirement savings plan;

Incentivize workers to participate in retirement plans with small financial incentives; and

Through the ''Retirement Lost and Found'' database at the Department of Labor help workers locate their hard-earned retirement savings as they move from job to job.

I am proud to have played a part in this significant and bipartisan effort, and will proudly vote in support of this legislation.

Mr. BEYER. Madam Speaker, I rise today to speak in support of the bipartisan Securing a Strong Retirement Act which includes the Legacy IRA Act. This legislation, led by my colleague MIKE KELLY and I, would encourage charitable giving by American seniors. Donating to charity is a hallmark of American society. We are fortunate to have one of the most generous countries in the world. In spite of, or possibly because of, the upheavals in recent years, we have seen increases in American charitable giving to the highest levels in our history.

We must do all we can to encourage this impulse, particularly among middle-income seniors who wish to continue giving post-retirement. The Legacy IRA Act would enable seniors to make tax-free contributions from their traditional IRAs to charities through life-income plans. This bill is a win-win, for philanthropic seniors who want to continue giving, and for charitable organizations that benefit from donations. I would like to thank Chairman NEAL for his support in including this measure in the SECURE Act and Rep. KELLY for his partnership on this important legislation.

Mr. SUOZZI. Madam Speaker, I rise in support of the Securing a Strong Retirement Act of 2022. Everyone can agree that the American Dream should be achievable for anyone willing to work hard. The American Dream is the ability for families to one day own a home, provide an education for their children, and retire with dignity. The SECURE Act 2.0 does several things to help make retirement security easier for millions of hardworking Americans. I rise today not only in support of the bill, but to advocate for the inclusion of another bipartisan bill, the ABLE Employment Flexibility Act, as SECURE 2.0 progresses through the legislative process.

Along with my colleague Mr. WENSTRUP, I introduced another practical solution that will allow more hardworking Americans the ability to participate in the labor force more fully by providing them access to benefits tailored to their needs. My bill permits employers to make tax-exempt contributions to ABLE (Achieving Better Life Experience) accounts in lieu of making contributions to existing tax-exempt defined contribution retirement plans. An ABLE account is established to pay expenses such as food, education, housing, transportation, employment training and support, and health care expenses of a designated beneficiary who is disabled. In other words, it will allow millions of Americans with disabilities to receive, and their employers the ability to provide, similar tax-preferred benefits as their fellow employees.

The ABLE Employment Flexibility Act would allow ABLE-eligible workers to permit an employer to make contributions to a 529A account in lieu of contributions to the employer's defined contribution plan. The legislation is needed because, under current law, an employer that offers employees with a disability the choice to have employer contributions that would be made to the retirement plan instead contributed to a 529A account would jeopardize the tax-qualified status of the retirement plan.

Many defined contribution plans permit an eligible employee to defer compensation into that defined contribution plan, with the employer sponsoring the plan providing for a matching contribution on such deferrals. The plan may also have nonelective employer contributions that are automatically made. Unfortunately, assets in these plans could adversely impact the availability of means-tested benefits. By eliminating this barrier, employers will be able to provide equitable opportunities to their employees to save for critical services while allowing them to retain critical government support and services.

Through the leadership of Chairman NEAL and Ranking Member BRADY, we are passing SECURE 2.0, a bill with overwhelming support. The bill has support from every stakeholder, from advocates for seniors to the retirement industry, and the practical solutions contained have garnered bipartisan support. Both things the American people are clamoring for in these hyper-partisan times. Like SECURE 2.0, the ABLE Employment Flexibility Act has received support from an array of stakeholders from disability advocates to associations representing the retirement industry.

I want to thank the Chairman, Ranking Member, their staffs, and the Joint Committee on Taxation for their willingness to work with myself and Mr. WENSTRUP to address technical issues with the legislative text of the ABLE Employment Flexibility Act to achieve the underlying policy goal—help more Americans save effectively and efficiently to live and retire in dignity. I look forward to our continued efforts and hope that we can resolve outstanding issues as we advance the SECURE Act 2.0 to the President for his signature.

Mr. BUCHANAN. Madam Speaker, I rise today in strong support of H.R. 2954, the Securing a Strong Retirement Act, also known as SECURE 2.0.

It is a sad reality that today too many hardworking Americans enter retirement without enough savings.

In fact, according to a recent report, only 36 percent of working adults feel their retirement savings are on track to meet their goals and more than one-third of U.S. workers have never even had a retirement account.

It's clear that millions of Americans could face a financial crisis during their retirement years. Congress can help head off this avoidable emergency and give individuals, families, and businesses more tools to boost their retirement nest eggs.

Last year, the House Ways & Means Committee unanimously passed the bipartisan Securing a Strong Retirement Act of 2021, legislation providing new incentives to help improve the retirement financial landscape for Americans across the country.

This bipartisan retirement savings bill seeks to build on the momentum from legislation that passed last Congress.

Specifically, this important new legislation would double the existing tax credit for businesses with 50 or fewer employees that start a company retirement plan, expand-auto-enrollment, push back the withdrawal retirement age, and allow workers to double their catch-up contributions. This bipartisan bill also authorizes new protections for people paying down student loan debts and incentives to America's veterans.

SECURE 2.0 is also completely budget neutral.

Retirement doesn't have to turn into another U.S. financial crisis. With responsible incentives and smart planning, we can give more people the peace of mind they deserve as they grow older. I'm pleased to see Congress put aside partisan games and finally come together to enact SECURE 2.0 and strengthen America's retirement security.

Ms. JACKSON LEE. Madam Speaker, I rise in strong support of H.R. 2954, the Securing a Strong Retirement Act of 2021, which will make various changes with respect to employer-sponsored retirement plans, including providing for the automatic enrollment of employees in certain plans and increasing the age at which participants are required to begin receiving mandatory distributions.

This legislation expands opportunities for Americans to increase their retirement savings, improves workers' long-term financial wellbeing, and builds on the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019.

The purpose of this legislation is to expand automatic enrollment, simplify many retirement plan rules, and strengthen small businesses' ability to offer workplace retirement plans.

Among other things, H.R. 2954 would:

Expand automatic enrollment of workers in employer-sponsored retirement saving plans.

Employees would be automatically enrolled in plans such as 401(k)s and 403(b)s unless they opt out.

The initial automatic enrollment amount is at least 3 percent but no more than 10 percent. And then each year that amount is increased by 1 percent until it reaches 10 percent.

The age at which seniors must take required minimum distributions (RMDs) from their retirement savings accounts would be raised from 72 to 73. The bill subsequently would raise the age to 74 starting in 2029 and to 75 starting in 2032.

Reduce the penalty for failure to take RMDs to 25 percent from 50 percent. If this failure is corrected in a timely manner, as defined by the bill, the penalty would be further reduced to 10 percent.

Increase the limits on so-called catch-up contributions for employees ages 62 to 64. In 2021, these workers were allowed to contribute up to $6,500 to their retirement savings plans beyond the otherwise applicable limits. This bill would increase that amount to $10,000 and index it to inflation.

The catch-up contribution limit for individual retirement accounts would be indexed to inflation. Currently, savers ages 50 and up may contribute an additional $1,000 annually to their IRAs, but that limit isn't indexed to inflation.

Allow employers to match a worker's student loan payment by making an equivalent contribution to that worker's retirement savings plan.

This provision is intended to help workers who can't afford to save for retirement because of high student-loan debt, which causes them to miss out on their employers' matching contributions to retirement savings plans.

Today's workplace is more generationally diverse than ever.

Older employees are working longer, and millennials make up roughly a third of the American workforce. This bill helps both older and younger workers.

For younger workers, this can help jump start the saving process earlier by making employer matches available for those who are also paying off student loans.

For older workers nearing retirement, they would have more time to save, due to the increased catch-up contribution limits and delayed required minimum distributions (RMD).

By automatically enrolling every working person in a plan, with the option to opt out, we begin to solve the biggest reasons people don't save for retirement.

According to the U.S. Census Bureau, the three biggest reasons people do not save for retirement are: not having a plan at work (74 percent of non-savers), being self-employed (14 percent) and not being included in a workplace plan (12 percent).

These proposed changes are beneficial to Americans of all ages, helping them reach their savings goals and provide more flexibility upon retirement.

Though there are many paths to retirement, it's critical to be financially prepared, especially as people are living longer.

For these reasons, I ask my colleagues to join me in voting for H.R. 2954 because we need to ensure that every American can benefit from the best retirement plan for them.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts (Mr. NEAL) that the House suspend the rules and pass the bill, H.R. 2954, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. ALLEN. Madam Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3(s) of House Resolution 8, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

□ 1715

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

Motions to suspend the rules and pass the following bills:

H.R. 6865;

H.R. 2954;

S. 2629;

H.R. 3359; and

H.R. 4738.

The first electronic vote will be conducted as a 15-minute vote. Pursuant to clause 9 of rule XX, remaining electronic votes will be conducted as 5-minute votes.

DON YOUNG COAST GUARD AUTHORIZATION ACT OF 2022

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 6865) to authorize appropriations for the Coast Guard, and for other purposes, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. DEFAZIO) that the House suspend the rules and pass the bill, as amended.

The vote was taken by electronic device, and there were—yeas 378, nays 46, not voting 7, as follows:

[Roll No. 85]

YEAS—378

Adams
Aderholt
Aguilar
Allen
Allred
Amodei
Armstrong
Arrington
Axne
Bacon
Baird
Balderson
Banks
Barr
Barragán
Bass
Beatty
Bentz
Bera
Bergman
Beyer
Bice (OK)
Bilirakis
Bishop (GA)
Blumenauer
Blunt Rochester
Bonamici
Bost
Bourdeaux
Bowman
Boyle, Brendan F.
Brady
Brown (MD)
Brown (OH)
Brownley
Buchanan
Bucshon
Budd
Bush
Butterfield
Calvert
Carbajal
Cárdenas
Carey
Carl
Carson
Carter (GA)
Carter (LA)
Carter (TX)
Cartwright
Case
Casten
Castor (FL)
Castro (TX)
Cawthorn
Chabot
Cheney
Cherfilus-McCormick
Chu
Cicilline
Clark (MA)
Clarke (NY)
Cleaver
Clyburn
Cohen
Cole
Comer
Connolly
Cooper
Correa
Costa
Courtney
Craig
Crawford
Crenshaw
Crist
Crow
Cuellar
Curtis
Davids (KS)
Davis, Danny K.
Davis, Rodney
Dean
DeFazio
DeGette
DeLauro
DelBene
Delgado
Demings
DeSaulnier
DesJarlais
Deutch
Dingell
Doggett
Doyle, Michael F.
Duncan
Dunn
Ellzey
Emmer
Escobar
Eshoo
Espaillat
Evans
Fallon
Feenstra
Ferguson
Fischbach
Fitzgerald
Fitzpatrick
Fleischmann
Fletcher
Foster
Foxx
Frankel, Lois
Franklin, C. Scott
Gallagher
Gallego
Garamendi
Garbarino
Garcia (CA)
Garcia (IL)
Garcia (TX)
Gibbs
Gimenez
Golden
Gomez
Gonzales, Tony
Gonzalez (OH)
Gonzalez, Vicente
Gooden (TX)
Gottheimer
Granger
Graves (LA)
Graves (MO)
Green (TN)
Green, Al (TX)
Griffith
Grijalva
Grothman
Guest
Guthrie
Harder (CA)
Harris
Harshbarger
Hartzler
Hayes
Herrell
Herrera Beutler
Higgins (NY)
Hill
Hinson
Hollingsworth
Horsford
Houlahan
Hoyer
Hudson
Huizenga
Issa
Jackson
Jackson Lee
Jacobs (CA)
Jacobs (NY)
Jayapal
Jeffries
Johnson (GA)
Johnson (LA)
Johnson (OH)
Johnson (SD)
Johnson (TX)
Jones
Joyce (OH)
Joyce (PA)
Kahele
Kaptur
Katko
Keating
Keller
Kelly (IL)
Kelly (MS)
Kelly (PA)
Khanna
Kildee
Kilmer
Kim (CA)
Kim (NJ)
Kind
Kirkpatrick
Krishnamoorthi
Kuster
Kustoff
LaHood
LaMalfa
Lamb
Langevin
Larsen (WA)
Larson (CT)
Latta
LaTurner
Lawrence
Lawson (FL)
Lee (CA)
Lee (NV)
Leger Fernandez
Lesko
Letlow
Levin (CA)
Levin (MI)
Lieu
Lofgren
Long
Lowenthal
Lucas
Luetkemeyer
Luria
Lynch
Mace
Malinowski
Malliotakis
Maloney, Carolyn B.
Maloney, Sean
Mann
Manning
Matsui
McBath
McCarthy
McCaul
McClain
McCollum
McEachin
McGovern
McHenry
McKinley
McNerney
Meeks
Meijer
Meng
Meuser
Mfume
Miller (IL)
Miller (WV)
Miller-Meeks
Moolenaar
Mooney
Moore (UT)
Moore (WI)
Morelle
Moulton
Mrvan
Mullin
Murphy (FL)
Murphy (NC)
Nadler
Napolitano
Neal
Neguse
Nehls
Newhouse
Newman
Norcross
O'Halleran
Obernolte
Ocasio-Cortez
Omar
Owens
Palazzo
Pallone
Panetta
Pappas
Pascrell
Payne
Pence
Perlmutter
Peters
Phillips
Pingree
Pocan
Porter
Posey
Pressley
Price (NC)
Quigley
Raskin
Reed
Reschenthaler
Rodgers (WA)
Rogers (AL)
Rogers (KY)
Rose
Ross
Rouzer
Roybal-Allard
Ruiz
Ruppersberger
Rush
Rutherford
Ryan
Salazar
Sánchez
Sarbanes
Scalise
Scanlon
Schakowsky
Schiff
Schneider
Schrader
Schrier