

seems to be ending, society counts on EMS personnel to be there. They are expected to work hard and be strong, especially in times of trouble.

Madam Speaker, as a former EMT rescue technician and firefighter with more than three decades of experience being on the front lines with my fellow EMS professionals, I can personally attest to their dedication to saving lives.

The job of an EMS professional is not easy. It requires just as much compassion as it does courage. These men and women are committed to making the world better.

EMS Week brings together local communities and medical personnel to honor the dedication of those who are on the front line providing day-to-day lifesaving services.

A thank-you to the EMTs, paramedics, dispatchers, and supervisors across the country. Every American is grateful for their service.

SUPPORTING OUR NATION'S VETERANS

(Mrs. MCBATH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MCBATH. Madam Speaker, today I am introducing the Honoring American Veterans in Extreme Need, or HAVEN, Act, with my colleague GREG STEUBE of Florida.

Under current law, when a veteran files for bankruptcy, his or her disability benefits from the VA or DOD count as income that is subject to the reach of creditors; however, Social Security disability benefits are exempt.

The HAVEN Act would amend bankruptcy law to exclude disability benefit payments paid from the VA or DOD from that monthly income calculation, treating it the same as Social Security disability.

Our disabled veterans earned their benefits by serving our great Nation, and we must protect them and their families, especially during financial hardship.

I encourage my colleagues to support our Nation's veterans and cosponsor this bipartisan legislation.

HONORING LEE JERNIGAN

(Mr. LAMALFA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMALFA. Madam Speaker, I rise today to recognize the life and honor the passage of one of my great constituents, Lee Jernigan of Oroville, California.

During Lee's lifetime, he had joined the U.S. Army Air Corps in 1943 and served as an aerial gunner and airplane mechanic on a B-17 during World War II, where he flew 23 missions in the Asian Pacific.

Lee graduated from Chico State in 1950 and received his master's degree in 1959 in education. Lee was known spe-

cifically for his passion and commitment to God, his family, and for educating the young people of our community.

It should come as no surprise that Lee was a beloved elementary and middle school teacher and then went on to be my principal at Central Middle School in Oroville, California, for 54 years of career. Lee was known to be kind, with a sense of humor, and this was one principal I was never really in trouble with.

Lee was devoted to teaching, but also devoted to his loving wife, Hazel, whom he married in 1948 and remained with for 72 years until his passing.

Lee was a man of extreme dedication and commitment to his wife, to his country, and to learning for the children of his community. Of course, we can all learn from that, as well.

Madam Speaker, God bless Lee Jernigan and his family.

HELPING FAMILIES ACHIEVE LIFETIME FINANCIAL SECURITY

(Mr. HORSFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HORSFORD. Madam Speaker, I rise today to join my colleagues in support of the SECURE Act, a bill that gets to the heart of our retirement income crisis.

Unfortunately, too many of my constituents are in danger of not having enough money to put away for retirement. In fact, 86 percent of Nevadans do not feel financially prepared for retirement, and most older Nevadans wished they had saved more money.

Fortunately, the SECURE Act will make it easier for Nevadans to save for their retirement. It makes it easier for small businesses to offer retirement plans to their employees, allows part-time workers to participate in 401(k) plans, and provides relief to pension plans, ranging from rural co-ops to organizations like the Jewish Federation of America.

I am also proud to share that this legislation includes my bill, H.R. 2806, which fixes a provision in the flawed Republican tax plan that raised the tax rate for scholarship and fellowship students up to 37 percent.

As a member of the Ways and Means Committee, I would like to thank Chairman NEAL for his leadership in getting this bipartisan bill passed unanimously through our committee.

The SECURE Act will help families achieve lifetime financial security, a core of the American Dream. I urge every Member of this body to support its passage.

CONGRATULATING HAVERFORD HIGH SCHOOL STUDENTS

(Ms. SCANLON asked and was given permission to address the House for 1 minute.)

Ms. SCANLON. Madam Speaker, we all know that elections matter, so I

would like to congratulate the students of Haverford High School for receiving the Governor's Civic Engagement Award. This award is given to Pennsylvania high schools that register over 85 percent of their eligible students to vote. Haverford High was 1 of 4 Philadelphia area schools and 1 of 23 schools in our Commonwealth to receive this noteworthy award.

At a time when some States are imposing restrictions on voting, we should all follow the lead set by the students at Haverford High. They worked to educate their peers and bring them into the electoral process. This Congress should do the same.

We need to ensure that our schools give students a thorough civics education so that they have the knowledge and tools necessary to fully participate in our democracy. We need to expand voting rights and access to the ballot, as we are doing with passage of bills like H.R. 1 and H.R. 4.

Again, Madam Speaker, I want to congratulate the students of Haverford High School for their outstanding achievement and for being an example for all of us to follow.

SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT OF 2019

Mr. NEAL. Madam Speaker, pursuant to House Resolution 389, I call up the bill (H.R. 1994) to amend the Internal Revenue Code of 1986 to encourage retirement savings, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 389, the amendment in the nature of a substitute recommended by the Committee on Ways and Means, modified by the amendment printed in part B of House Report 116-79, is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 1994

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

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the "Setting Every Community Up for Retirement Enhancement Act of 2019".

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

Sec. 1. Short title, etc.

TITLE I—EXPANDING AND PRESERVING RETIREMENT SAVINGS

Sec. 101. Multiple employer plans; pooled employer plans.

Sec. 102. Increase in 10 percent cap for automatic enrollment safe harbor after 1st plan year.

Sec. 103. Rules relating to election of safe harbor 401(k) status.

Sec. 104. Increase in credit limitation for small employer pension plan startup costs.

Sec. 105. Small employer automatic enrollment credit.

- Sec. 106. Certain taxable non-tuition fellowship and stipend payments treated as compensation for IRA purposes.
- Sec. 107. Repeal of maximum age for traditional IRA contributions.
- Sec. 108. Qualified employer plans prohibited from making loans through credit cards and other similar arrangements.
- Sec. 109. Portability of lifetime income options.
- Sec. 110. Treatment of custodial accounts on termination of section 403(b) plans.
- Sec. 111. Clarification of retirement income account rules relating to church-controlled organizations.
- Sec. 112. Qualified cash or deferred arrangements must allow long-term employees working more than 500 but less than 1,000 hours per year to participate.
- Sec. 113. Penalty-free withdrawals from retirement plans for individuals in case of birth of child or adoption.
- Sec. 114. Increase in age for required beginning date for mandatory distributions.
- Sec. 115. Special rules for minimum funding standards for community newspaper plans.
- Sec. 116. Treating excluded difficulty of care payments as compensation for determining retirement contribution limitations.

TITLE II—ADMINISTRATIVE IMPROVEMENTS

- Sec. 201. Plan adopted by filing due date for year may be treated as in effect as of close of year.
- Sec. 202. Combined annual report for group of plans.
- Sec. 203. Disclosure regarding lifetime income.
- Sec. 204. Fiduciary safe harbor for selection of lifetime income provider.
- Sec. 205. Modification of nondiscrimination rules to protect older, longer service participants.
- Sec. 206. Modification of PBGC premiums for CSEC plans.

TITLE III—OTHER BENEFITS

- Sec. 301. Benefits provided to volunteer firefighters and emergency medical responders.
- Sec. 302. Expansion of section 529 plans.

TITLE IV—REVENUE PROVISIONS

- Sec. 401. Modification of required distribution rules for designated beneficiaries.
- Sec. 402. Increase in penalty for failure to file.
- Sec. 403. Increased penalties for failure to file retirement plan returns.
- Sec. 404. Increase information sharing to administer excise taxes.

TITLE I—EXPANDING AND PRESERVING RETIREMENT SAVINGS

SEC. 101. MULTIPLE EMPLOYER PLANS; POOLED EMPLOYER PLANS.

(a) QUALIFICATION REQUIREMENTS.—

(1) IN GENERAL.—Section 413 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(e) APPLICATION OF QUALIFICATION REQUIREMENTS FOR CERTAIN MULTIPLE EMPLOYER PLANS WITH POOLED PLAN PROVIDERS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), if a defined contribution plan to which subsection (c) applies—

“(A) is maintained by employers which have a common interest other than having adopted the plan, or

“(B) in the case of a plan not described in subparagraph (A), has a pooled plan provider, then the plan shall not be treated as failing to meet the requirements under this title applicable to a plan described in section 401(a) or to a plan that consists of individual retirement accounts described in section 408 (including by reason of

subsection (c) thereof), whichever is applicable, merely because one or more employers of employees covered by the plan fail to take such actions as are required of such employers for the plan to meet such requirements.

“(2) LIMITATIONS.—

“(A) IN GENERAL.—Paragraph (1) shall not apply to any plan unless the terms of the plan provide that in the case of any employer in the plan failing to take the actions described in paragraph (1)—

“(i) the assets of the plan attributable to employees of such employer (or beneficiaries of such employees) will be transferred to a plan maintained only by such employer (or its successor), to an eligible retirement plan as defined in section 402(c)(8)(B) for each individual whose account is transferred, or to any other arrangement that the Secretary determines is appropriate, unless the Secretary determines it is in the best interests of the employees of such employer (and the beneficiaries of such employees) to retain the assets in the plan, and

“(ii) such employer (and not the plan with respect to which the failure occurred or any other employer in such plan) shall, except to the extent provided by the Secretary, be liable for any liabilities with respect to such plan attributable to employees of such employer (or beneficiaries of such employees).

“(B) FAILURES BY POOLED PLAN PROVIDERS.—If the pooled plan provider of a plan described in paragraph (1)(B) does not perform substantially all of the administrative duties which are required of the provider under paragraph (3)(A)(i) for any plan year, the Secretary may provide that the determination as to whether the plan meets the requirements under this title applicable to a plan described in section 401(a) or to a plan that consists of individual retirement accounts described in section 408 (including by reason of subsection (c) thereof), whichever is applicable, shall be made in the same manner as would be made without regard to paragraph (1).

“(3) POOLED PLAN PROVIDER.—

“(A) IN GENERAL.—For purposes of this subsection, the term ‘pooled plan provider’ means, with respect to any plan, a person who—

“(i) is designated by the terms of the plan as a named fiduciary (within the meaning of section 402(a)(2) of the Employee Retirement Income Security Act of 1974), as the plan administrator, and as the person responsible to perform all administrative duties (including conducting proper testing with respect to the plan and the employees of each employer in the plan) which are reasonably necessary to ensure that—

“(1) the plan meets any requirement applicable under the Employee Retirement Income Security Act of 1974 or this title to a plan described in section 401(a) or to a plan that consists of individual retirement accounts described in section 408 (including by reason of subsection (c) thereof), whichever is applicable, and

“(II) each employer in the plan takes such actions as the Secretary or such person determines are necessary for the plan to meet the requirements described in subclause (I), including providing to such person any disclosures or other information which the Secretary may require or which such person otherwise determines are necessary to administer the plan or to allow the plan to meet such requirements,

“(ii) registers as a pooled plan provider with the Secretary, and provides such other information to the Secretary as the Secretary may require, before beginning operations as a pooled plan provider,

“(iii) acknowledges in writing that such person is a named fiduciary (within the meaning of section 402(a)(2) of the Employee Retirement Income Security Act of 1974), and the plan administrator, with respect to the plan, and

“(iv) is responsible for ensuring that all persons who handle assets of, or who are fiduciaries of, the plan are bonded in accordance with section 412 of the Employee Retirement Income Security Act of 1974.

“(B) AUDITS, EXAMINATIONS AND INVESTIGATIONS.—The Secretary may perform audits, examinations, and investigations of pooled plan providers as may be necessary to enforce and carry out the purposes of this subsection.

“(C) AGGREGATION RULES.—For purposes of this paragraph, in determining whether a person meets the requirements of this paragraph to be a pooled plan provider with respect to any plan, all persons who perform services for the plan and who are treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as one person.

“(D) TREATMENT OF EMPLOYERS AS PLAN SPONSORS.—Except with respect to the administrative duties of the pooled plan provider described in subparagraph (A)(i), each employer in a plan which has a pooled plan provider shall be treated as the plan sponsor with respect to the portion of the plan attributable to employees of such employer (or beneficiaries of such employees).

“(4) GUIDANCE.—

“(A) IN GENERAL.—The Secretary shall issue such guidance as the Secretary determines appropriate to carry out this subsection, including guidance—

“(i) to identify the administrative duties and other actions required to be performed by a pooled plan provider under this subsection,

“(ii) which describes the procedures to be taken to terminate a plan which fails to meet the requirements to be a plan described in paragraph (1), including the proper treatment of, and actions needed to be taken by, any employer in the plan and the assets and liabilities of the plan attributable to employees of such employer (or beneficiaries of such employees), and

“(iii) identifying appropriate cases to which the rules of paragraph (2)(A) will apply to employers in the plan failing to take the actions described in paragraph (1).

The Secretary shall take into account under clause (iii) whether the failure of an employer or pooled plan provider to provide any disclosures or other information, or to take any other action, necessary to administer a plan or to allow a plan to meet requirements applicable to the plan under section 401(a) or 408, whichever is applicable, has continued over a period of time that demonstrates a lack of commitment to compliance.

“(B) GOOD FAITH COMPLIANCE WITH LAW BEFORE GUIDANCE.—An employer or pooled plan provider shall not be treated as failing to meet a requirement of guidance issued by the Secretary under this paragraph if, before the issuance of such guidance, the employer or pooled plan provider complies in good faith with a reasonable interpretation of the provisions of this subsection to which such guidance relates.

“(5) MODEL PLAN.—The Secretary shall publish model plan language which meets the requirements of this subsection and of paragraphs (43) and (44) of section 3 of the Employee Retirement Income Security Act of 1974 and which may be adopted in order for a plan to be treated as a plan described in paragraph (1)(B).”

(2) CONFORMING AMENDMENT.—Section 413(c)(2) of such Code is amended by striking “section 401(a)” and inserting “sections 401(a) and 408(c)”.

(3) TECHNICAL AMENDMENT.—Section 408(c) of such Code is amended by inserting after paragraph (2) the following new paragraph:

“(3) There is a separate accounting for any interest of an employee or member (or spouse of an employee or member) in a Roth IRA.”

(b) NO COMMON INTEREST REQUIRED FOR POOLED EMPLOYER PLANS.—Section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2)) is amended by adding at the end the following:

“(C) A pooled employer plan shall be treated as—

“(i) a single employee pension benefit plan or single pension plan; and

“(ii) a plan to which section 210(a) applies.”.

(c) POOLED EMPLOYER PLAN AND PROVIDER DEFINED.—

(1) IN GENERAL.—Section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002) is amended by adding at the end the following:

“(43) POOLED EMPLOYER PLAN.—

“(A) IN GENERAL.—The term ‘pooled employer plan’ means a plan—

“(i) which is an individual account plan established or maintained for the purpose of providing benefits to the employees of 2 or more employers;

“(ii) which is a plan described in section 401(a) of the Internal Revenue Code of 1986 which includes a trust exempt from tax under section 501(a) of such Code or a plan that consists of individual retirement accounts described in section 408 of such Code (including by reason of subsection (c) thereof); and

“(iii) the terms of which meet the requirements of subparagraph (B).

Such term shall not include a plan maintained by employers which have a common interest other than having adopted the plan.

“(B) REQUIREMENTS FOR PLAN TERMS.—The requirements of this subparagraph are met with respect to any plan if the terms of the plan—

“(i) designate a pooled plan provider and provide that the pooled plan provider is a named fiduciary of the plan;

“(ii) designate one or more trustees meeting the requirements of section 408(a)(2) of the Internal Revenue Code of 1986 (other than an employer in the plan) to be responsible for collecting contributions to, and holding the assets of, the plan and require such trustees to implement written contribution collection procedures that are reasonable, diligent, and systematic;

“(iii) provide that each employer in the plan retains fiduciary responsibility for—

“(I) the selection and monitoring in accordance with section 404(a) of the person designated as the pooled plan provider and any other person who, in addition to the pooled plan provider, is designated as a named fiduciary of the plan; and

“(II) to the extent not otherwise delegated to another fiduciary by the pooled plan provider and subject to the provisions of section 404(c), the investment and management of the portion of the plan’s assets attributable to the employees of the employer (or beneficiaries of such employees);

“(iv) provide that employers in the plan, and participants and beneficiaries, are not subject to unreasonable restrictions, fees, or penalties with regard to ceasing participation, receipt of distributions, or otherwise transferring assets of the plan in accordance with section 208 or paragraph (44)(C)(i)(II);

“(v) require—

“(I) the pooled plan provider to provide to employers in the plan any disclosures or other information which the Secretary may require, including any disclosures or other information to facilitate the selection or any monitoring of the pooled plan provider by employers in the plan; and

“(II) each employer in the plan to take such actions as the Secretary or the pooled plan provider determines are necessary to administer the plan or for the plan to meet any requirement applicable under this Act or the Internal Revenue Code of 1986 to a plan described in section 401(a) of such Code or to a plan that consists of individual retirement accounts described in section 408 of such Code (including by reason of subsection (c) thereof), whichever is applicable, including providing any disclosures or other information which the Secretary may require or which the pooled plan provider otherwise determines are necessary to administer the plan or to allow the plan to meet such requirements; and

“(vi) provide that any disclosure or other information required to be provided under clause

(v) may be provided in electronic form and will be designed to ensure only reasonable costs are imposed on pooled plan providers and employers in the plan.

“(C) EXCEPTIONS.—The term ‘pooled employer plan’ does not include—

“(i) a multiemployer plan; or

“(ii) a plan established before the date of the enactment of the Setting Every Community Up for Retirement Enhancement Act of 2019 unless the plan administrator elects that the plan will be treated as a pooled employer plan and the plan meets the requirements of this title applicable to a pooled employer plan established on or after such date.

“(D) TREATMENT OF EMPLOYERS AS PLAN SPONSORS.—Except with respect to the administrative duties of the pooled plan provider described in paragraph (44)(A)(i), each employer in a pooled employer plan shall be treated as the plan sponsor with respect to the portion of the plan attributable to employees of such employer (or beneficiaries of such employees).

“(44) POOLED PLAN PROVIDER.—

“(A) IN GENERAL.—The term ‘pooled plan provider’ means a person who—

“(i) is designated by the terms of a pooled employer plan as a named fiduciary, as the plan administrator, and as the person responsible for the performance of all administrative duties (including conducting proper testing with respect to the plan and the employees of each employer in the plan) which are reasonably necessary to ensure that—

“(I) the plan meets any requirement applicable under this Act or the Internal Revenue Code of 1986 to a plan described in section 401(a) of such Code or to a plan that consists of individual retirement accounts described in section 408 of such Code (including by reason of subsection (c) thereof), whichever is applicable; and

“(II) each employer in the plan takes such actions as the Secretary or pooled plan provider determines are necessary for the plan to meet the requirements described in subclause (I), including providing the disclosures and information described in paragraph (43)(B)(v)(II);

“(ii) registers as a pooled plan provider with the Secretary, and provides to the Secretary such other information as the Secretary may require, before beginning operations as a pooled plan provider;

“(iii) acknowledges in writing that such person is a named fiduciary, and the plan administrator, with respect to the pooled employer plan; and

“(iv) is responsible for ensuring that all persons who handle assets of, or who are fiduciaries of, the pooled employer plan are bonded in accordance with section 412.

“(B) AUDITS, EXAMINATIONS AND INVESTIGATIONS.—The Secretary may perform audits, examinations, and investigations of pooled plan providers as may be necessary to enforce and carry out the purposes of this paragraph and paragraph (43).

“(C) GUIDANCE.—The Secretary shall issue such guidance as the Secretary determines appropriate to carry out this paragraph and paragraph (43), including guidance—

“(i) to identify the administrative duties and other actions required to be performed by a pooled plan provider under either such paragraph; and

“(ii) which requires in appropriate cases that if an employer in the plan fails to take the actions required under subparagraph (A)(i)(II)—

“(I) the assets of the plan attributable to employees of such employer (or beneficiaries of such employees) are transferred to a plan maintained only by such employer (or its successor), to an eligible retirement plan as defined in section 402(c)(8)(B) of the Internal Revenue Code of 1986 for each individual whose account is transferred, or to any other arrangement that the Secretary determines is appropriate in such guidance; and

“(II) such employer (and not the plan with respect to which the failure occurred or any other

employer in such plan) shall, except to the extent provided in such guidance, be liable for any liabilities with respect to such plan attributable to employees of such employer (or beneficiaries of such employees).

The Secretary shall take into account under clause (ii) whether the failure of an employer or pooled plan provider to provide any disclosures or other information, or to take any other action, necessary to administer a plan or to allow a plan to meet requirements described in subparagraph (A)(i)(II) has continued over a period of time that demonstrates a lack of commitment to compliance. The Secretary may waive the requirements of subclause (ii)(I) in appropriate circumstances if the Secretary determines it is in the best interests of the employees of the employer referred to in such clause (and the beneficiaries of such employees) to retain the assets in the plan with respect to which the employer’s failure occurred.

“(D) GOOD FAITH COMPLIANCE WITH LAW BEFORE GUIDANCE.—An employer or pooled plan provider shall not be treated as failing to meet a requirement of guidance issued by the Secretary under subparagraph (C) if, before the issuance of such guidance, the employer or pooled plan provider complies in good faith with a reasonable interpretation of the provisions of this paragraph, or paragraph (43), to which such guidance relates.

“(E) AGGREGATION RULES.—For purposes of this paragraph, in determining whether a person meets the requirements of this paragraph to be a pooled plan provider with respect to any plan, all persons who perform services for the plan and who are treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as one person.”.

(2) BONDING REQUIREMENTS FOR POOLED EMPLOYER PLANS.—The last sentence of section 412(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1112(a)) is amended by inserting “or in the case of a pooled employer plan (as defined in section 3(43))” after “section 407(d)(1)”.’.

(3) CONFORMING AND TECHNICAL AMENDMENTS.—Section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002) is amended—

(A) in paragraph (16)(B)—

(i) by striking “or” at the end of clause (ii); and

(ii) by striking the period at the end and inserting “, or (iv) in the case of a pooled employer plan, the pooled plan provider.”; and

(B) by striking the second paragraph (41).

(d) POOLED EMPLOYER AND MULTIPLE EMPLOYER PLAN REPORTING.—

(1) ADDITIONAL INFORMATION.—Section 103 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1023) is amended—

(A) in subsection (a)(1)(B), by striking “applicable subsections (d), (e), and (f)” and inserting “applicable subsections (d), (e), (f), and (g)”; and

(B) by amending subsection (g) to read as follows:

“(g) ADDITIONAL INFORMATION WITH RESPECT TO POOLED EMPLOYER AND MULTIPLE EMPLOYER PLANS.—An annual report under this section for a plan year shall include—

“(1) with respect to any plan to which section 210(a) applies (including a pooled employer plan), a list of employers in the plan and a good faith estimate of the percentage of total contributions made by such employers during the plan year and the aggregate account balances attributable to each employer in the plan (determined as the sum of the account balances of the employees of such employer (and the beneficiaries of such employees)); and

“(2) with respect to a pooled employer plan, the identifying information for the person designated under the terms of the plan as the pooled plan provider.”.

(2) **SIMPLIFIED ANNUAL REPORTS.**—Section 104(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024(a)) is amended by striking paragraph (2)(A) and inserting the following:

“(2)(A) With respect to annual reports required to be filed with the Secretary under this part, the Secretary may by regulation prescribe simplified annual reports for any pension plan that—

“(i) covers fewer than 100 participants; or
“(ii) is a plan described in section 210(a) that covers fewer than 1,000 participants, but only if no single employer in the plan has 100 or more participants covered by the plan.”.

(e) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendments made by this section shall apply to plan years beginning after December 31, 2020.

(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 a multiple employer plan.

SEC. 102. INCREASE IN 10 PERCENT CAP FOR AUTOMATIC ENROLLMENT SAFE HARBOR AFTER 1ST PLAN YEAR.

(a) **IN GENERAL.**—Section 401(k)(13)(C)(iii) of the Internal Revenue Code of 1986 is amended by striking “does not exceed 10 percent” and inserting “does not exceed 15 percent (10 percent during the period described in subclause (I))”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years beginning after December 31, 2019.

SEC. 103. RULES RELATING TO ELECTION OF SAFE HARBOR 401(k) STATUS.

(a) **LIMITATION OF ANNUAL SAFE HARBOR NOTICE TO MATCHING CONTRIBUTION PLANS.**—

(1) **IN GENERAL.**—Subparagraph (A) of section 401(k)(12) of the Internal Revenue Code of 1986 is amended by striking “if such arrangement” and all that follows and inserting “if such arrangement—

“(i) meets the contribution requirements of subparagraph (B) and the notice requirements of subparagraph (D), or
“(ii) meets the contribution requirements of subparagraph (C).”.

(2) **AUTOMATIC CONTRIBUTION ARRANGEMENTS.**—Subparagraph (B) of section 401(k)(13) of such Code is amended by striking “means” and all that follows and inserting “means a cash or deferred arrangement—

“(i) which is described in subparagraph (D)(i)(I) and meets the applicable requirements of subparagraphs (C) through (E), or
“(ii) which is described in subparagraph (D)(i)(II) and meets the applicable requirements of subparagraphs (C) and (D).”.

(b) **NONELECTIVE CONTRIBUTIONS.**—Section 401(k)(12) of the Internal Revenue Code of 1986 is amended by redesignating subparagraph (F) as subparagraph (G), and by inserting after subparagraph (E) the following new subparagraph:“(F) **TIMING OF PLAN AMENDMENT FOR EMPLOYER MAKING NONELECTIVE CONTRIBUTIONS.**—

“(i) **IN GENERAL.**—Except as provided in clause (ii), a plan may be amended after the beginning of a plan year to provide that the requirements of subparagraph (C) shall apply to the arrangement for the plan year, but only if the amendment is adopted—

“(I) at any time before the 30th day before the close of the plan year, or
“(II) at any time before the last day under paragraph (8)(A) for distributing excess contributions for the plan year.

“(ii) **EXCEPTION WHERE PLAN PROVIDED FOR MATCHING CONTRIBUTIONS.**—Clause (i) shall not apply to any plan year if the plan provided at any time during the plan year that the requirements of subparagraph (B) or paragraph (13)(D)(i)(I) applied to the plan year.

“(iii) **4-PERCENT CONTRIBUTION REQUIREMENT.**—Clause (i)(II) shall not apply to an arrangement unless the amount of the contributions described in subparagraph (C) which the employer is required to make under the arrangement for the plan year with respect to any employee is an amount equal to at least 4 percent of the employee's compensation.”.

(c) **AUTOMATIC CONTRIBUTION ARRANGEMENTS.**—Section 401(k)(13) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(F) **TIMING OF PLAN AMENDMENT FOR EMPLOYER MAKING NONELECTIVE CONTRIBUTIONS.**—

“(i) **IN GENERAL.**—Except as provided in clause (ii), a plan may be amended after the beginning of a plan year to provide that the requirements of subparagraph (D)(i)(II) shall apply to the arrangement for the plan year, but only if the amendment is adopted—

“(I) at any time before the 30th day before the close of the plan year, or
“(II) at any time before the last day under paragraph (8)(A) for distributing excess contributions for the plan year.

“(ii) **EXCEPTION WHERE PLAN PROVIDED FOR MATCHING CONTRIBUTIONS.**—Clause (i) shall not apply to any plan year if the plan provided at any time during the plan year that the requirements of subparagraph (D)(i)(I) or paragraph (12)(B) applied to the plan year.

“(iii) **4-PERCENT CONTRIBUTION REQUIREMENT.**—Clause (i)(II) shall not apply to an arrangement unless the amount of the contributions described in subparagraph (D)(i)(II) which the employer is required to make under the arrangement for the plan year with respect to any employee is an amount equal to at least 4 percent of the employee's compensation.”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years beginning after December 31, 2019.

SEC. 104. INCREASE IN CREDIT LIMITATION FOR SMALL EMPLOYER PENSION PLAN STARTUP COSTS.

(a) **IN GENERAL.**—Paragraph (1) of section 45E(b) of the Internal Revenue Code of 1986 is amended to read as follows:

“(1) for the first credit year and each of the 2 taxable years immediately following the first credit year, the greater of—

“(A) \$500, or

“(B) the lesser of—

“(i) \$250 for each employee of the eligible employer who is not a highly compensated employee (as defined in section 414(q)) and who is eligible to participate in the eligible employer plan maintained by the eligible employer, or
“(ii) \$5,000, and”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2019.

SEC. 105. SMALL EMPLOYER AUTOMATIC ENROLLMENT CREDIT.

(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. 45T. AUTO-ENROLLMENT OPTION FOR RETIREMENT SAVINGS OPTIONS PROVIDED BY SMALL EMPLOYERS.**

“(a) **IN GENERAL.**—For purposes of section 38, in the case of an eligible employer, the retirement auto-enrollment credit determined under this section for any taxable year is an amount equal to—

“(1) \$500 for any taxable year occurring during the credit period, and

“(2) zero for any other taxable year.

“(b) **CREDIT PERIOD.**—For purposes of subsection (a)—

“(1) **IN GENERAL.**—The credit period with respect to any eligible employer is the 3-taxable-year period beginning with the first taxable year for which the employer includes an eligible automatic contribution arrangement (as defined in section 414(w)(3)) in a qualified employer plan (as defined in section 4972(d)) sponsored by the employer.

“(2) **MAINTENANCE OF ARRANGEMENT.**—No taxable year with respect to an employer shall be treated as occurring within the credit period unless the arrangement described in paragraph (1) is included in the plan for such year.

“(c) **ELIGIBLE EMPLOYER.**—For purposes of this section, the term ‘eligible employer’ has the meaning given such term in section 408(p)(2)(C)(i).”.

(b) **CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.**—Subsection (b) of section 38 of the Internal Revenue Code of 1986 is amended by striking “plus” at the end of paragraph (31), by striking the period at the end of paragraph (32) and inserting “, plus”, and by adding at the end the following new paragraph:

“(33) in the case of an eligible employer (as defined in section 45T(c)), the retirement auto-enrollment credit determined under section 45T(a).”.

(c) **CLERICAL AMENDMENT.**—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 45S the following new item:

“Sec. 45T. Auto-enrollment option for retirement savings options provided by small employers.”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2019.

SEC. 106. CERTAIN TAXABLE NON-TUITION FELLOWSHIP AND STIPEND PAYMENTS TREATED AS COMPENSATION FOR IRA PURPOSES.

(a) **IN GENERAL.**—Paragraph (1) of section 219(f) of the Internal Revenue Code of 1986 is amended by adding at the end the following: “The term ‘compensation’ shall include any amount which is included in the individual's gross income and paid to the individual to aid the individual in the pursuit of graduate or postdoctoral study.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2019.

SEC. 107. REPEAL OF MAXIMUM AGE FOR TRADITIONAL IRA CONTRIBUTIONS.

(a) **IN GENERAL.**—Paragraph (1) of section 219(d) of the Internal Revenue Code of 1986 is repealed.

(b) **COORDINATION WITH QUALIFIED CHARITABLE DISTRIBUTIONS.**—Add at the end of section 408(d)(8)(A) of such Code the following: “The amount of distributions not includible in gross income by reason of the preceding sentence for a taxable year (determined without regard to this sentence) shall be reduced (but not below zero) by an amount equal to the excess of—

“(i) the aggregate amount of deductions allowed to the taxpayer under section 219 for all taxable years ending on or after the date the taxpayer attains age 70½, over

“(ii) the aggregate amount of reductions under this sentence for all taxable years preceding the current taxable year.”.

(b) **CONFORMING AMENDMENT.**—Subsection (c) of section 408A of the Internal Revenue Code of 1986 is amended by striking paragraph (4) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the amendments made by this section shall apply to contributions made for taxable years beginning after December 31, 2019.

(2) **SUBSECTION (b).**—The amendment made by subsection (b) shall apply to distributions made for taxable years beginning after December 31, 2019.

SEC. 108. QUALIFIED EMPLOYER PLANS PROHIBITED FROM MAKING LOANS THROUGH CREDIT CARDS AND OTHER SIMILAR ARRANGEMENTS.

(a) *IN GENERAL.*—Paragraph (2) of section 72(p) of the Internal Revenue Code of 1986 is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

“(D) *PROHIBITION OF LOANS THROUGH CREDIT CARDS AND OTHER SIMILAR ARRANGEMENTS.*—Subparagraph (A) shall not apply to any loan which is made through the use of any credit card or any other similar arrangement.”

(b) *EFFECTIVE DATE.*—The amendments made by subsection (a) shall apply to loans made after the date of the enactment of this Act.

SEC. 109. PORTABILITY OF LIFETIME INCOME OPTIONS.

(a) *IN GENERAL.*—Subsection (a) of section 401 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (37) the following new paragraph:

“(38) *PORTABILITY OF LIFETIME INCOME.*—

“(A) *IN GENERAL.*—Except as may be otherwise provided by regulations, a trust forming part of a defined contribution plan shall not be treated as failing to constitute a qualified trust under this section solely by reason of allowing—

“(i) qualified distributions of a lifetime income investment, or

“(ii) distributions of a lifetime income investment in the form of a qualified plan distribution annuity contract,

on or after the date that is 90 days prior to the date on which such lifetime income investment is no longer authorized to be held as an investment option under the plan.

“(B) *DEFINITIONS.*—For purposes of this subsection—

“(i) the term ‘qualified distribution’ means a direct trustee-to-trustee transfer described in paragraph (31)(A) to an eligible retirement plan (as defined in section 402(c)(8)(B)),

“(ii) the term ‘lifetime income investment’ means an investment option which is designed to provide an employee with election rights—

“(I) which are not uniformly available with respect to other investment options under the plan, and

“(II) which are to a lifetime income feature available through a contract or other arrangement offered under the plan (or under another eligible retirement plan (as so defined), if paid by means of a direct trustee-to-trustee transfer described in paragraph (31)(A) to such other eligible retirement plan),

“(iii) the term ‘lifetime income feature’ means—

“(I) a feature which guarantees a minimum level of income annually (or more frequently) for at least the remainder of the life of the employee or the joint lives of the employee and the employee’s designated beneficiary, or

“(II) an annuity payable on behalf of the employee under which payments are made in substantially equal periodic payments (not less frequently than annually) over the life of the employee or the joint lives of the employee and the employee’s designated beneficiary, and

“(iv) the term ‘qualified plan distribution annuity contract’ means an annuity contract purchased for a participant and distributed to the participant by a plan or contract described in subparagraph (B) of section 402(c)(8) (without regard to clauses (i) and (ii) thereof).”

(b) *CASH OR DEFERRED ARRANGEMENT.*—

(1) *IN GENERAL.*—Clause (i) of section 401(k)(2)(B) of the Internal Revenue Code of 1986 is amended by striking “or” at the end of subclause (IV), by striking “and” at the end of subclause (V) and inserting “or”, and by adding at the end the following new subclause:

“(VI) except as may be otherwise provided by regulations, with respect to amounts invested in a lifetime income investment (as defined in subsection (a)(38)(B)(ii)), the date that is 90 days prior to the date that such lifetime income invest-

ment may no longer be held as an investment option under the arrangement, and”.

(2) *DISTRIBUTION REQUIREMENT.*—Subparagraph (B) of section 401(k)(2) of such Code, as amended by paragraph (1), is amended by striking “and” at the end of clause (i), by striking the semicolon at the end of clause (ii) and inserting “, and”, and by adding at the end the following new clause:

“(iii) except as may be otherwise provided by regulations, in the case of amounts described in clause (i)(VI), will be distributed only in the form of a qualified distribution (as defined in subsection (a)(38)(B)(i)) or a qualified plan distribution annuity contract (as defined in subsection (a)(38)(B)(iv)).”

(c) *SECTION 403(b) PLANS.*—

(1) *ANNUITY CONTRACTS.*—Paragraph (11) of section 403(b) of the Internal Revenue Code of 1986 is amended by striking “or” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, or”, and by inserting after subparagraph (C) the following new subparagraph:

“(D) except as may be otherwise provided by regulations, with respect to amounts invested in a lifetime income investment (as defined in section 401(a)(38)(B)(ii))—

“(i) on or after the date that is 90 days prior to the date that such lifetime income investment may no longer be held as an investment option under the contract, and

“(ii) in the form of a qualified distribution (as defined in section 401(a)(38)(B)(i)) or a qualified plan distribution annuity contract (as defined in section 401(a)(38)(B)(iv)).”

(2) *CUSTODIAL ACCOUNTS.*—Subparagraph (A) of section 403(b)(7) of such Code is amended by striking “if—” and all that follows and inserting “if the amounts are to be invested in regulated investment company stock to be held in that custodial account, and under the custodial account—

“(i) no such amounts may be paid or made available to any distributee (unless such amount is a distribution to which section 72(t)(2)(G) applies) before—

“(I) the employee dies,

“(II) the employee attains age 59½,

“(III) the employee has a severance from employment,

“(IV) the employee becomes disabled (within the meaning of section 72(m)(7)),

“(V) in the case of contributions made pursuant to a salary reduction agreement (within the meaning of section 3121(a)(5)(D)), the employee encounters financial hardship, or

“(VI) except as may be otherwise provided by regulations, with respect to amounts invested in a lifetime income investment (as defined in section 401(a)(38)(B)(ii)), the date that is 90 days prior to the date that such lifetime income investment may no longer be held as an investment option under the contract, and

“(ii) in the case of amounts described in clause (i)(VI), such amounts will be distributed only in the form of a qualified distribution (as defined in section 401(a)(38)(B)(i)) or a qualified plan distribution annuity contract (as defined in section 401(a)(38)(B)(iv)).”

(d) *ELIGIBLE DEFERRED COMPENSATION PLANS.*—

(1) *IN GENERAL.*—Subparagraph (A) of section 457(d)(1) of the Internal Revenue Code of 1986 is amended by striking “or” at the end of clause (ii), by inserting “or” at the end of clause (iii), and by adding after clause (iii) the following:

“(iv) except as may be otherwise provided by regulations, in the case of a plan maintained by an employer described in subsection (e)(1)(A), with respect to amounts invested in a lifetime income investment (as defined in section 401(a)(38)(B)(ii)), the date that is 90 days prior to the date that such lifetime income investment may no longer be held as an investment option under the plan.”

(2) *DISTRIBUTION REQUIREMENT.*—Paragraph (1) of section 457(d) of such Code is amended by

striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, and”, and by inserting after subparagraph (C) the following new subparagraph:

“(D) except as may be otherwise provided by regulations, in the case of amounts described in subparagraph (A)(iv), such amounts will be distributed only in the form of a qualified distribution (as defined in section 401(a)(38)(B)(i)) or a qualified plan distribution annuity contract (as defined in section 401(a)(38)(B)(iv)).”

(e) *EFFECTIVE DATE.*—The amendments made by this section shall apply to plan years beginning after December 31, 2019.

SEC. 110. TREATMENT OF CUSTODIAL ACCOUNTS ON TERMINATION OF SECTION 403(b) PLANS.

Not later than six months after the date of enactment of this Act, the Secretary of the Treasury shall issue guidance to provide that, if an employer terminates the plan under which amounts are contributed to a custodial account under subparagraph (A) of section 403(b)(7), the plan administrator or custodian may distribute an individual custodial account in kind to a participant or beneficiary of the plan and the distributed custodial account shall be maintained by the custodian on a tax-deferred basis as a section 403(b)(7) custodial account, similar to the treatment of fully-paid individual annuity contracts under Revenue Ruling 2011-7, until amounts are actually paid to the participant or beneficiary. The guidance shall provide further (i) that the section 403(b)(7) status of the distributed custodial account is generally maintained if the custodial account thereafter adheres to the requirements of section 403(b) that are in effect at the time of the distribution of the account and (ii) that a custodial account would not be considered distributed to the participant or beneficiary if the employer has any material retained rights under the account (but the employer would not be treated as retaining material rights simply because the custodial account was originally opened under a group contract). Such guidance shall be retroactively effective for taxable years beginning after December 31, 2008.

SEC. 111. CLARIFICATION OF RETIREMENT INCOME ACCOUNT RULES RELATING TO CHURCH-CONTROLLED ORGANIZATIONS.

(a) *IN GENERAL.*—Subparagraph (B) of section 403(b)(9) of the Internal Revenue Code of 1986 is amended by inserting “(including an employee described in section 414(e)(3)(B))” after “employee described in paragraph (1)”.

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

SEC. 112. QUALIFIED CASH OR DEFERRED ARRANGEMENTS MUST ALLOW LONG-TERM EMPLOYEES WORKING MORE THAN 500 BUT LESS THAN 1,000 HOURS PER YEAR TO PARTICIPATE.

(a) *PARTICIPATION REQUIREMENT.*—

(1) *IN GENERAL.*—Section 401(k)(2)(D) of the Internal Revenue Code of 1986 is amended to read as follows:

“(D) which does not require, as a condition of participation in the arrangement, that an employee complete a period of service with the employer (or employers) maintaining the plan extending beyond the close of the earlier of—

“(i) the period permitted under section 410(a)(1) (determined without regard to subparagraph (B)(i) thereof), or

“(ii) subject to the provisions of paragraph (15), the first period of 3 consecutive 12-month periods during each of which the employee has at least 500 hours of service.”

(2) *SPECIAL RULES.*—Section 401(k) of such Code is amended by adding at the end the following new paragraph:

“(15) *SPECIAL RULES FOR PARTICIPATION REQUIREMENT FOR LONG-TERM, PART-TIME WORKERS.*—For purposes of paragraph (2)(D)(ii)—

“(A) AGE REQUIREMENT MUST BE MET.—Paragraph (2)(D)(ii) shall not apply to an employee unless the employee has met the requirement of section 410(a)(1)(A)(i) by the close of the last of the 12-month periods described in such paragraph.”

“(B) NONDISCRIMINATION AND TOP-HEAVY RULES NOT TO APPLY.—

“(i) NONDISCRIMINATION RULES.—In the case of employees who are eligible to participate in the arrangement solely by reason of paragraph (2)(D)(ii)—

“(I) notwithstanding subsection (a)(4), an employer shall not be required to make nonelective or matching contributions on behalf of such employees even if such contributions are made on behalf of other employees eligible to participate in the arrangement, and

“(II) an employer may elect to exclude such employees from the application of subsection (a)(4), paragraphs (3), (12), and (13), subsection (m)(2), and section 410(b).

“(ii) 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 (2)(D)(ii) from the application of the vesting and benefit requirements under subsections (b) and (c) of section 416.

“(iii) VESTING.—For purposes of determining whether an employee described in clause (i) has a nonforfeitable right to employer contributions (other than contributions described in paragraph (3)(D)(i)) under the arrangement, each 12-month period for which the employee has at least 500 hours of service shall be treated as a year of service and section 411(a)(6) shall be applied by substituting ‘at least 500 hours of service’ for ‘more than 500 hours of service’ in subparagraph (A) thereof.

“(iv) EMPLOYEES WHO BECOME FULL-TIME EMPLOYEES.—This subparagraph (other than clause (iii)) shall cease to apply to any employee as of the first plan year beginning after the plan year in which the employee meets the requirements of section 410(a)(1)(A)(ii) without regard to paragraph (2)(D)(ii).

“(C) EXCEPTION FOR EMPLOYEES UNDER COLLECTIVELY BARGAINED PLANS, ETC.—Paragraph (2)(D)(ii) shall not apply to employees described in section 410(b)(3).

“(D) SPECIAL RULES.—

“(i) TIME OF PARTICIPATION.—The rules of section 410(a)(4) shall apply to an employee eligible to participate in an arrangement solely by reason of paragraph (2)(D)(ii).

“(ii) 12-MONTH PERIODS.—12-month periods shall be determined in the same manner as under the last sentence of section 410(a)(3)(A).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2020, except that, for purposes of section 401(k)(2)(D)(ii) of the Internal Revenue Code of 1986 (as added by such amendments), 12-month periods beginning before January 1, 2021, shall not be taken into account.

SEC. 113. PENALTY-FREE WITHDRAWALS FROM RETIREMENT PLANS FOR INDIVIDUALS IN CASE OF BIRTH OF CHILD OR ADOPTION.

(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:

“(H) DISTRIBUTIONS FROM RETIREMENT PLANS IN CASE OF BIRTH OF CHILD OR ADOPTION.—

“(i) IN GENERAL.—Any qualified birth or adoption distribution.

“(ii) LIMITATION.—The aggregate amount which may be treated as qualified birth or adoption distributions by any individual with respect to any birth or adoption shall not exceed \$5,000.

“(iii) QUALIFIED BIRTH OR ADOPTION DISTRIBUTION.—For purposes of this subparagraph—

“(I) IN GENERAL.—The term ‘qualified birth or adoption distribution’ means any distribution from an applicable eligible retirement plan to an individual if made during the 1-year period be-

ginning on the date on which a child of the individual is born or on which the legal adoption by the individual of an eligible adoptee is finalized.

“(II) ELIGIBLE ADOPTEE.—The term ‘eligible adoptee’ means any individual (other than a child of the taxpayer’s spouse) who has not attained age 18 or is physically or mentally incapable of self-support.

“(III) TREATMENT OF PLAN DISTRIBUTIONS.—

“(I) IN GENERAL.—If a distribution to an individual would (without regard to clause (ii)) be a qualified birth or adoption distribution, a plan shall not be treated as failing to meet any requirement of this title merely because the plan treats the distribution as a qualified birth or adoption distribution, 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 \$5,000.

“(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 qualified birth or adoption distribution may 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 qualified birth or adoption distributions 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 a qualified birth or adoption distribution 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 a qualified birth or adoption distribution 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.

“(v) 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, a qualified birth or adoption distribution shall not be treated as an eligible rollover distribution.

“(III) TAXPAYER MUST INCLUDE TIN.—A distribution shall not be treated as a qualified birth or adoption distribution with respect to any child or eligible adoptee unless the taxpayer includes the name, age, and TIN of such child or eligible adoptee on the taxpayer’s return of tax for the taxable year.

“(IV) DISTRIBUTIONS TREATED AS MEETING PLAN DISTRIBUTION REQUIREMENTS.—Any qualified birth or adoption distribution shall be treated as meeting the requirements of sections 401(k)(2)(B)(i), 403(b)(7)(A)(ii), 403(b)(11), and 457(d)(1)(A).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2019.

SEC. 114. 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 70½’ and inserting ‘age 72’.

(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 70½’ and inserting ‘age 72’.

(c) CONFORMING AMENDMENTS.—

(1) The last sentence of section 408(b) of such Code is amended by striking ‘age 70½’ and inserting ‘age 72’.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions required to be made after December 31, 2019, with respect to individuals who attain age 70½ after such date.

SEC. 115. SPECIAL RULES FOR MINIMUM FUNDING STANDARDS FOR COMMUNITY NEWSPAPER PLANS.

(a) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 430 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(m) SPECIAL RULES FOR COMMUNITY NEWSPAPER PLANS.—

“(I) IN GENERAL.—The plan sponsor of a community newspaper plan under which no participant has had the participant’s accrued benefit increased (whether because of service or compensation) after December 31, 2017, may elect to have the alternative standards described in paragraph (3) apply to such plan, and any plan sponsored by any member of the same controlled group.

“(2) ELECTION.—An election under paragraph (1) shall be made at such time and in such manner as prescribed by the Secretary. Such election, once made with respect to a plan year, shall apply to all subsequent plan years unless revoked with the consent of the Secretary.

“(3) ALTERNATIVE MINIMUM FUNDING STANDARDS.—The alternative standards described in this paragraph are the following:

“(A) INTEREST RATES.—

“(i) IN GENERAL.—Notwithstanding subsection (h)(2)(C) and except as provided in clause (ii), the first, second, and third segment rates in effect for any month for purposes of this section shall be 8 percent.

“(ii) NEW BENEFIT ACCRUALS.—Notwithstanding subsection (h)(2), for purposes of determining the funding target and normal cost of a plan for any plan year, the present value of any benefits accrued or earned under the plan for a plan year with respect to which an election under paragraph (1) is in effect shall be determined on the basis of the U.S. Treasury obligation yield curve for the day that is the valuation date of such plan for such plan year.

“(iii) U.S. TREASURY OBLIGATION YIELD CURVE.—For purposes of this subsection, the term ‘U.S. Treasury obligation yield curve’ means, with respect to any day, a yield curve which shall be prescribed by the Secretary for such day on interest-bearing obligations of the United States.

“(B) SHORTFALL AMORTIZATION BASE.—

“(i) PREVIOUS SHORTFALL AMORTIZATION BASES.—The shortfall amortization bases determined under subsection (c)(3) for all plan years

preceding the first plan year to which the election under paragraph (1) applies (and all short-fall amortization installments determined with respect to such bases) shall be reduced to zero under rules similar to the rules of subsection (c)(6).

“(ii) **NEW SHORTFALL AMORTIZATION BASE.**—Notwithstanding subsection (c)(3), the shortfall amortization base for the first plan year to which the election under paragraph (1) applies shall be the funding shortfall of such plan for such plan year (determined using the interest rates as modified under subparagraph (A)).

“(C) **DETERMINATION OF SHORTFALL AMORTIZATION INSTALLMENTS.**—

“(i) **30-YEAR PERIOD.**—Subparagraphs (A) and (B) of subsection (c)(2) shall be applied by substituting ‘30-plan-year’ for ‘7-plan-year’ each place it appears.

“(ii) **NO SPECIAL ELECTION.**—The election under subparagraph (D) of subsection (c)(2) shall not apply to any plan year to which the election under paragraph (1) applies.

“(D) **EXEMPTION FROM AT-RISK TREATMENT.**—Subsection (i) shall not apply.

“(4) **COMMUNITY NEWSPAPER PLAN.**—For purposes of this subsection—

“(A) **IN GENERAL.**—The term ‘community newspaper plan’ means a plan to which this section applies maintained by an employer which, as of December 31, 2017—

“(i) publishes and distributes daily, either electronically or in printed form, 1 or more community newspapers in a single State,

“(ii) is not a company the stock of which is publicly traded (on a stock exchange or in an over-the-counter market), and is not controlled, directly or indirectly, by such a company,

“(iii) is controlled, directly or indirectly—
“(I) by 1 or more persons residing primarily in the State in which the community newspaper is published,

“(II) for not less than 30 years by individuals who are members of the same family,

“(III) by a trust created or organized in the State in which the community newspaper is published, the sole trustees of which are persons described in subclause (I) or (II),

“(IV) by an entity which is described in section 501(c)(3) and exempt from taxation under section 501(a), which is organized and operated in the State in which the community newspaper is published, and the primary purpose of which is to benefit communities in such State, or

“(V) by a combination of persons described in subclause (I), (III), or (IV), and

“(iv) does not control, directly or indirectly, any newspaper in any other State.

“(B) **COMMUNITY NEWSPAPER.**—The term ‘community newspaper’ means a newspaper which primarily serves a metropolitan statistical area, as determined by the Office of Management and Budget, with a population of not less than 100,000.

“(C) **CONTROL.**—A person shall be treated as controlled by another person if such other person possesses, directly or indirectly, the power to direct or cause the direction and management of such person (including the power to elect a majority of the members of the board of directors of such person) through the ownership of voting securities.

“(5) **CONTROLLED GROUP.**—For purposes of this subsection, the term ‘controlled group’ means all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 as of the date of the enactment of this subsection.”.

(b) **AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.**—Section 303 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083) is amended by adding at the end the following new subsection:

“(m) **SPECIAL RULES FOR COMMUNITY NEWSPAPER PLANS.**—

“(1) **IN GENERAL.**—The plan sponsor of a community newspaper plan under which no participant has had the participant’s accrued benefit

increased (whether because of service or compensation) after December 31, 2017, may elect to have the alternative standards described in paragraph (3) apply to such plan, and any plan sponsored by any member of the same controlled group.

“(2) **ELECTION.**—An election under paragraph (1) shall be made at such time and in such manner as prescribed by the Secretary of the Treasury. Such election, once made with respect to a plan year, shall apply to all subsequent plan years unless revoked with the consent of the Secretary of the Treasury.

“(3) **ALTERNATIVE MINIMUM FUNDING STANDARDS.**—The alternative standards described in this paragraph are the following:

“(A) **INTEREST RATES.**—

“(i) **IN GENERAL.**—Notwithstanding subsection (h)(2)(C) and except as provided in clause (ii), the first, second, and third segment rates in effect for any month for purposes of this section shall be 8 percent.

“(ii) **NEW BENEFIT ACCRUALS.**—Notwithstanding subsection (h)(2), for purposes of determining the funding target and normal cost of a plan for any plan year, the present value of any benefits accrued or earned under the plan for a plan year with respect to which an election under paragraph (1) is in effect shall be determined on the basis of the U.S. Treasury obligation yield curve for the day that is the valuation date of such plan for such plan year.

“(iii) **U.S. TREASURY OBLIGATION YIELD CURVE.**—For purposes of this subsection, the term ‘U.S. Treasury obligation yield curve’ means, with respect to any day, a yield curve which shall be prescribed by the Secretary of the Treasury for such day on interest-bearing obligations of the United States.

“(B) **SHORTFALL AMORTIZATION BASE.**—

“(i) **PREVIOUS SHORTFALL AMORTIZATION BASES.**—The shortfall amortization bases determined under subsection (c)(3) for all plan years preceding the first plan year to which the election under paragraph (1) applies (and all short-fall amortization installments determined with respect to such bases) shall be reduced to zero under rules similar to the rules of subsection (c)(6).

“(ii) **NEW SHORTFALL AMORTIZATION BASE.**—Notwithstanding subsection (c)(3), the shortfall amortization base for the first plan year to which the election under paragraph (1) applies shall be the funding shortfall of such plan for such plan year (determined using the interest rates as modified under subparagraph (A)).

“(C) **DETERMINATION OF SHORTFALL AMORTIZATION INSTALLMENTS.**—

“(i) **30-YEAR PERIOD.**—Subparagraphs (A) and (B) of subsection (c)(2) shall be applied by substituting ‘30-plan-year’ for ‘7-plan-year’ each place it appears.

“(ii) **NO SPECIAL ELECTION.**—The election under subparagraph (D) of subsection (c)(2) shall not apply to any plan year to which the election under paragraph (1) applies.

“(D) **EXEMPTION FROM AT-RISK TREATMENT.**—Subsection (i) shall not apply.

“(4) **COMMUNITY NEWSPAPER PLAN.**—For purposes of this subsection—

“(A) **IN GENERAL.**—The term ‘community newspaper plan’ means a plan to which this section applies maintained by an employer which, as of December 31, 2017—

“(i) publishes and distributes daily, either electronically or in printed form—

“(I) a community newspaper, or

“(II) 1 or more community newspapers in the same State,

“(ii) is not a company the stock of which is publicly traded (on a stock exchange or in an over-the-counter market), and is not controlled, directly or indirectly, by such a company,

“(iii) is controlled, directly or indirectly—

“(I) by 1 or more persons residing primarily in the State in which the community newspaper is published,

“(II) for not less than 30 years by individuals who are members of the same family,

“(III) by a trust created or organized in the State in which the community newspaper is published, the sole trustees of which are persons described in subclause (I) or (II),

“(IV) by an entity which is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code, which is organized and operated in the State in which the community newspaper is published, and the primary purpose of which is to benefit communities in such State, or

“(V) by a combination of persons described in subclause (I), (III), or (IV), and

“(iv) does not control, directly or indirectly, any newspaper in any other State.

“(B) **COMMUNITY NEWSPAPER.**—The term ‘community newspaper’ means a newspaper which primarily serves a metropolitan statistical area, as determined by the Office of Management and Budget, with a population of not less than 100,000.

“(C) **CONTROL.**—A person shall be treated as controlled by another person if such other person possesses, directly or indirectly, the power to direct or cause the direction and management of such person (including the power to elect a majority of the members of the board of directors of such person) through the ownership of voting securities.

“(5) **CONTROLLED GROUP.**—For purposes of this subsection, the term ‘controlled group’ means all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 as of the date of the enactment of this subsection.

“(6) **EFFECT ON PREMIUM RATE CALCULATION.**—Notwithstanding any other provision of law or any regulation issued by the Pension Benefit Guaranty Corporation, in the case of a plan for which an election is made to apply the alternative standards described in paragraph (3), the additional premium under section 4006(a)(3)(E) shall be determined as if such election had not been made.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years ending after December 31, 2017.

SEC. 116. TREATING EXCLUDED DIFFICULTY OF CARE PAYMENTS AS COMPENSATION FOR DETERMINING RETIREMENT CONTRIBUTION LIMITATIONS.

(a) **INDIVIDUAL RETIREMENT ACCOUNTS.**—

(1) **IN GENERAL.**—Section 408(o) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(5) **SPECIAL RULE FOR DIFFICULTY OF CARE PAYMENTS EXCLUDED FROM GROSS INCOME.**—In the case of an individual who for a taxable year excludes from gross income under section 131 a qualified foster care payment which is a difficulty of care payment, if—

“(A) the deductible amount in effect for the taxable year under subsection (b), exceeds

“(B) the amount of compensation includable in the individual’s gross income for the taxable year,

the individual may elect to increase the non-deductible limit under paragraph (2) for the taxable year by an amount equal to the lesser of such excess or the amount so excluded.”.

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

(b) **DEFINED CONTRIBUTION PLANS.**—

(1) **IN GENERAL.**—Section 415(c) of such Code is amended by adding at the end the following new paragraph:

“(8) **SPECIAL RULE FOR DIFFICULTY OF CARE PAYMENTS EXCLUDED FROM GROSS INCOME.**—

“(A) **IN GENERAL.**—For purposes of paragraph (1)(B), in the case of an individual who for a taxable year excludes from gross income under section 131 a qualified foster care payment which is a difficulty of care payment, the participant’s compensation, or earned income, as the case may be, shall be increased by the amount so excluded.

“(B) CONTRIBUTIONS ALLOCABLE TO DIF-FICULTY OF CARE PAYMENTS TREATED AS AFTER-TAX.—Any contribution by the participant which is allowable due to such increase—

“(i) shall be treated for purposes of this title as investment in the contract, and

“(ii) shall not cause a plan (and any arrangement which is part of such plan) to be treated as failing to meet any requirements of this chapter solely by reason of allowing any such contributions.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to plan years beginning after December 31, 2015.

TITLE II—ADMINISTRATIVE IMPROVEMENTS

SEC. 201. PLAN ADOPTED BY FILING DUE DATE FOR YEAR MAY BE TREATED AS IN EFFECT AS OF CLOSE OF YEAR.

(a) IN GENERAL.—Subsection (b) of section 401 of the Internal Revenue Code of 1986 is amended—

(1) by striking “RETROACTIVE CHANGES IN PLAN.—A stock bonus” and inserting “PLAN AMENDMENTS.—

“(1) CERTAIN RETROACTIVE CHANGES IN PLAN.—A stock bonus”; and

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

“(2) ADOPTION OF PLAN.—If an employer adopts a stock bonus, pension, profit-sharing, or annuity plan after the close of a taxable year but before the time prescribed by law for filing the return of the employer for the taxable year (including extensions thereof), the employer may elect to treat the plan as having been adopted as of the last day of the taxable year.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plans adopted for taxable years beginning after December 31, 2019.

SEC. 202. COMBINED ANNUAL REPORT FOR GROUP OF PLANS.

(a) IN GENERAL.—The Secretary of the Treasury and the Secretary of Labor shall, in cooperation, modify the returns required under section 6058 of the Internal Revenue Code of 1986 and the reports required by section 104 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024) so that all members of a group of plans described in subsection (c) may file a single aggregated annual return or report satisfying the requirements of both such sections.

(b) ADMINISTRATIVE REQUIREMENTS.—In developing the consolidated return or report under subsection (a), the Secretary of the Treasury and the Secretary of Labor may require such return or report to include any information regarding each plan in the group as such Secretaries determine is necessary or appropriate for the enforcement and administration of the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 and shall require such information as will enable a participant in a plan to identify any aggregated return or report filed with respect to the plan.

(c) PLANS DESCRIBED.—A group of plans is described in this subsection if all plans in the group—

(1) are individual account plans or defined contribution plans (as defined in section 3(34) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(34)) or in section 414(i) of the Internal Revenue Code of 1986);

(2) have—

(A) the same trustee (as described in section 403(a) of such Act (29 U.S.C. 1103(a)));

(B) the same one or more named fiduciaries (as described in section 402(a) of such Act (29 U.S.C. 1102(a)));

(C) the same administrator (as defined in section 3(16)(A) of such Act (29 U.S.C. 1002(16)(A))) and plan administrator (as defined in section 414(g) of the Internal Revenue Code of 1986); and

(D) plan years beginning on the same date; and

(3) provide the same investments or investment options to participants and beneficiaries.

A plan not subject to title I of the Employee Retirement Income Security Act of 1974 shall be treated as meeting the requirements of paragraph (2) as part of a group of plans if the same person that performs each of the functions described in such paragraph, as applicable, for all other plans in such group performs each of such functions for such plan.

(d) CLARIFICATION RELATING TO ELECTRONIC FILING OF RETURNS FOR DEFERRED COMPENSATION PLANS.—

(1) IN GENERAL.—Section 6011(e) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(6) APPLICATION OF NUMERICAL LIMITATION TO RETURNS RELATING TO DEFERRED COMPENSATION PLANS.—For purposes of applying the numerical limitation under paragraph (2)(A) to any return required under section 6058, information regarding each plan for which information is provided on such return shall be treated as a separate return.”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to returns required to be filed with respect to plan years beginning after December 31, 2019.

(e) EFFECTIVE DATE.—The modification required by subsection (a) shall be implemented not later than January 1, 2022, and shall apply to returns and reports for plan years beginning after December 31, 2021.

SEC. 203. DISCLOSURE REGARDING LIFETIME INCOME.

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

(1) in clause (i), by striking “and” at the end;

(2) in clause (ii), by striking “diversification.” and inserting “diversification, and”; and

(3) by inserting at the end the following:

“(iii) the lifetime income disclosure described in subparagraph (D)(i).
In the case of pension benefit statements described in clause (i) of paragraph (1)(A), a lifetime income disclosure under clause (iii) of this subparagraph shall be required to be included in only one pension benefit statement during any one 12-month period.”.

(b) LIFETIME INCOME.—Paragraph (2) of section 105(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025(a)) is amended by adding at the end the following new subparagraph:

“(D) LIFETIME INCOME DISCLOSURE.—

“(i) IN GENERAL.—

“(I) DISCLOSURE.—A lifetime income disclosure shall set forth the lifetime income stream equivalent of the total benefits accrued with respect to the participant or beneficiary.

“(II) LIFETIME INCOME STREAM EQUIVALENT OF THE TOTAL BENEFITS ACCRUED.—For purposes of this subparagraph, the term ‘lifetime income stream equivalent of the total benefits accrued’ means the amount of monthly payments the participant or beneficiary would receive if the total accrued benefits of such participant or beneficiary were used to provide lifetime income streams described in subclause (III), based on assumptions specified in rules prescribed by the Secretary.

“(III) LIFETIME INCOME STREAMS.—The lifetime income streams described in this subclause are a qualified joint and survivor annuity (as defined in section 205(d)), based on assumptions specified in rules prescribed by the Secretary, including the assumption that the participant or beneficiary has a spouse of equal age, and a single life annuity. Such lifetime income streams may have a term certain or other features to the extent permitted under rules prescribed by the Secretary.

“(ii) MODEL DISCLOSURE.—Not later than 1 year after the date of the enactment of the Setting Every Community Up for Retirement En-

hancement Act of 2019, the Secretary shall issue a model lifetime income disclosure, written in a manner so as to be understood by the average plan participant, which—

“(I) explains that the lifetime income stream equivalent is only provided as an illustration;

“(II) explains that the actual payments under the lifetime income stream described in clause (i)(III) which may be purchased with the total benefits accrued will depend on numerous factors and may vary substantially from the lifetime income stream equivalent in the disclosures;

“(III) explains the assumptions upon which the lifetime income stream equivalent was determined; and

“(IV) provides such other similar explanations as the Secretary considers appropriate.

“(iii) ASSUMPTIONS AND RULES.—Not later than 1 year after the date of the enactment of the Setting Every Community Up for Retirement Enhancement Act of 2019, the Secretary shall—

“(I) prescribe assumptions which administrators of individual account plans may use in converting total accrued benefits into lifetime income stream equivalents for purposes of this subparagraph; and

“(II) issue interim final rules under clause (i).

In prescribing assumptions under subclause (I), the Secretary may prescribe a single set of specific assumptions (in which case the Secretary may issue tables or factors which facilitate such conversions), or ranges of permissible assumptions. To the extent that an accrued benefit is or may be invested in a lifetime income stream described in clause (i)(III), the assumptions prescribed under subclause (I) shall, to the extent appropriate, permit administrators of individual account plans to use the amounts payable under such lifetime income stream as a lifetime income stream equivalent.

“(iv) LIMITATION ON LIABILITY.—No plan fiduciary, plan sponsor, or other person shall have any liability under this title solely by reason of the provision of lifetime income stream equivalents which are derived in accordance with the assumptions and rules described in clause (iii) and which include the explanations contained in the model lifetime income disclosure described in clause (ii). This clause shall apply without regard to whether the provision of such lifetime income stream equivalent is required by subparagraph (B)(iii).

“(v) EFFECTIVE DATE.—The requirement in subparagraph (B)(iii) shall apply to pension benefit statements furnished more than 12 months after the latest of the issuance by the Secretary of—

“(I) interim final rules under clause (i);

“(II) the model disclosure under clause (ii); or

“(III) the assumptions under clause (iii).”.

SEC. 204. FIDUCIARY SAFE HARBOR FOR SELECTION OF LIFETIME INCOME PROVIDER.

Section 404 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104) is amended by adding at the end the following:

“(e) SAFE HARBOR FOR ANNUITY SELECTION.—

“(1) IN GENERAL.—With respect to the selection of an insurer for a guaranteed retirement income contract, the requirements of subsection (a)(1)(B) will be deemed to be satisfied if a fiduciary—

“(A) engages in an objective, thorough, and analytical search for the purpose of identifying insurers from which to purchase such contracts;

“(B) with respect to each insurer identified under subparagraph (A)—

“(i) considers the financial capability of such insurer to satisfy its obligations under the guaranteed retirement income contract; and

“(ii) considers the cost (including fees and commissions) of the guaranteed retirement income contract offered by the insurer in relation to the benefits and product features of the contract and administrative services to be provided under such contract; and

“(C) on the basis of such consideration, concludes that—

“(i) at the time of the selection, the insurer is financially capable of satisfying its obligations under the guaranteed retirement income contract; and

“(ii) the relative cost of the selected guaranteed retirement income contract as described in subparagraph (B)(ii) is reasonable.

“(2) FINANCIAL CAPABILITY OF THE INSURER.—A fiduciary will be deemed to satisfy the requirements of paragraphs (1)(B)(i) and (1)(C)(i) if—

“(A) the fiduciary obtains written representations from the insurer that—

“(i) the insurer is licensed to offer guaranteed retirement income contracts;

“(ii) the insurer, at the time of selection and for each of the immediately preceding 7 plan years—

“(I) operates under a certificate of authority from the insurance commissioner of its domiciliary State which has not been revoked or suspended;

“(II) has filed audited financial statements in accordance with the laws of its domiciliary State under applicable statutory accounting principles;

“(III) maintains (and has maintained) reserves which satisfies all the statutory requirements of all States where the insurer does business; and

“(IV) is not operating under an order of supervision, rehabilitation, or liquidation;

“(iii) the insurer undergoes, at least every 5 years, a financial examination (within the meaning of the law of its domiciliary State) by the insurance commissioner of the domiciliary State (or representative, designee, or other party approved by such commissioner); and

“(iv) the insurer will notify the fiduciary of any change in circumstances occurring after the provision of the representations in clauses (i), (ii), and (iii) which would preclude the insurer from making such representations at the time of issuance of the guaranteed retirement income contract; and

“(B) after receiving such representations and as of the time of selection, the fiduciary has not received any notice described in subparagraph (A)(iv) and is in possession of no other information which would cause the fiduciary to question the representations provided.

“(3) NO REQUIREMENT TO SELECT LOWEST COST.—Nothing in this subsection shall be construed to require a fiduciary to select the lowest cost contract. A fiduciary may consider the value of a contract, including features and benefits of the contract and attributes of the insurer (including, without limitation, the insurer's financial strength) in conjunction with the cost of the contract.

“(4) TIME OF SELECTION.—

“(A) IN GENERAL.—For purposes of this subsection, the time of selection is—

“(i) the time that the insurer and the contract are selected for distribution of benefits to a specific participant or beneficiary; or

“(ii) if the fiduciary periodically reviews the continuing appropriateness of the conclusion described in paragraph (1)(C) with respect to a selected insurer, taking into account the considerations described in such paragraph, the time that the insurer and the contract are selected to provide benefits at future dates to participants or beneficiaries under the plan.

Nothing in the preceding sentence shall be construed to require the fiduciary to review the appropriateness of a selection after the purchase of a contract for a participant or beneficiary.

“(B) PERIODIC REVIEW.—A fiduciary will be deemed to have conducted the periodic review described in subparagraph (A)(ii) if the fiduciary obtains the written representations described in clauses (i), (ii), and (iii) of paragraph (2)(A) from the insurer on an annual basis, unless the fiduciary receives any notice described in paragraph (2)(A)(iv) or otherwise becomes aware of facts that would cause the fiduciary to question such representations.

“(5) LIMITED LIABILITY.—A fiduciary which satisfies the requirements of this subsection shall not be liable following the distribution of any benefit, or the investment by or on behalf of a participant or beneficiary pursuant to the selected guaranteed retirement income contract, for any losses that may result to the participant or beneficiary due to an insurer's inability to satisfy its financial obligations under the terms of such contract.

“(6) DEFINITIONS.—For purposes of this subsection—

“(A) INSURER.—The term ‘insurer’ means an insurance company, insurance service, or insurance organization, including affiliates of such companies.

“(B) GUARANTEED RETIREMENT INCOME CONTRACT.—The term ‘guaranteed retirement income contract’ means an annuity contract for a fixed term or a contract (or provision or feature thereof) which provides guaranteed benefits annually (or more frequently) for at least the remainder of the life of the participant or the joint lives of the participant and the participant's designated beneficiary as part of an individual account plan.”.

SEC. 205. MODIFICATION OF NONDISCRIMINATION RULES TO PROTECT OLDER, LONGER SERVICE PARTICIPANTS.

(a) IN GENERAL.—Section 401 of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subsection (o) as subsection (p); and

(2) by inserting after subsection (n) the following new subsection:

“(o) SPECIAL RULES FOR APPLYING NONDISCRIMINATION RULES TO PROTECT OLDER, LONGER SERVICE AND GRANDFATHERED PARTICIPANTS.—

“(1) TESTING OF DEFINED BENEFIT PLANS WITH CLOSED CLASSES OF PARTICIPANTS.—

“(A) BENEFITS, RIGHTS, OR FEATURES PROVIDED TO CLOSED CLASSES.—A defined benefit plan which provides benefits, rights, or features to a closed class of participants shall not fail to satisfy the requirements of subsection (a)(4) by reason of the composition of such closed class or the benefits, rights, or features provided to such closed class, if—

“(i) for the plan year as of which the class closes and the 2 succeeding plan years, such benefits, rights, and features satisfy the requirements of subsection (a)(4) (without regard to this subparagraph but taking into account the rules of subparagraph (I)),

“(ii) after the date as of which the class was closed, any plan amendment which modifies the closed class or the benefits, rights, and features provided to such closed class does not discriminate significantly in favor of highly compensated employees, and

“(iii) the class was closed before April 5, 2017, or the plan is described in subparagraph (C).

“(B) AGGREGATE TESTING WITH DEFINED CONTRIBUTION PLANS PERMITTED ON A BENEFITS BASIS.—

“(i) IN GENERAL.—For purposes of determining compliance with subsection (a)(4) and section 410(b), a defined benefit plan described in clause (iii) may be aggregated and tested on a benefits basis with 1 or more defined contribution plans, including with the portion of 1 or more defined contribution plans which—

“(I) provides matching contributions (as defined in subsection (m)(4)(A)),

“(II) provides annuity contracts described in section 403(b) which are purchased with matching contributions or nonelective contributions, or

“(III) consists of an employee stock ownership plan (within the meaning of section 4975(e)(7)) or a tax credit employee stock ownership plan (within the meaning of section 409(a)).

“(ii) SPECIAL RULES FOR MATCHING CONTRIBUTIONS.—For purposes of clause (i), if a defined benefit plan is aggregated with a portion of a defined contribution plan providing matching contributions—

“(I) such defined benefit plan must also be aggregated with any portion of such defined contribution plan which provides elective deferrals described in subparagraph (A) or (C) of section 402(g)(3), and

“(II) such matching contributions shall be treated in the same manner as nonelective contributions, including for purposes of applying the rules of subsection (I).

“(iii) PLANS DESCRIBED.—A defined benefit plan is described in this clause if—

“(I) the plan provides benefits to a closed class of participants,

“(II) for the plan year as of which the class closes and the 2 succeeding plan years, the plan satisfies the requirements of section 410(b) and subsection (a)(4) (without regard to this subparagraph but taking into account the rules of subparagraph (I)),

“(III) after the date as of which the class was closed, any plan amendment which modifies the closed class or the benefits provided to such closed class does not discriminate significantly in favor of highly compensated employees, and

“(IV) the class was closed before April 5, 2017, or the plan is described in subparagraph (C).

“(C) PLANS DESCRIBED.—A plan is described in this subparagraph if, taking into account any predecessor plan—

“(i) such plan has been in effect for at least 5 years as of the date the class is closed, and

“(ii) during the 5-year period preceding the date the class is closed, there has not been a substantial increase in the coverage or value of the benefits, rights, or features described in subparagraph (A) or in the coverage or benefits under the plan described in subparagraph (B)(iii) (whichever is applicable).

“(D) DETERMINATION OF SUBSTANTIAL INCREASE FOR BENEFITS, RIGHTS, AND FEATURES.—In applying subparagraph (C)(ii) for purposes of subparagraph (A)(iii), a plan shall be treated as having had a substantial increase in coverage or value of the benefits, rights, or features described in subparagraph (A) during the applicable 5-year period only if, during such period—

“(i) the number of participants covered by such benefits, rights, or features on the date such period ends is more than 50 percent greater than the number of such participants on the first day of the plan year in which such period began, or

“(ii) such benefits, rights, and features have been modified by 1 or more plan amendments in such a way that, as of the date the class is closed, the value of such benefits, rights, and features to the closed class as a whole is substantially greater than the value as of the first day of such 5-year period, solely as a result of such amendments.

“(E) DETERMINATION OF SUBSTANTIAL INCREASE FOR AGGREGATE TESTING ON BENEFITS BASIS.—In applying subparagraph (C)(ii) for purposes of subparagraph (B)(iii)(IV), a plan shall be treated as having had a substantial increase in coverage or benefits during the applicable 5-year period only if, during such period—

“(i) the number of participants benefitting under the plan on the date such period ends is more than 50 percent greater than the number of such participants on the first day of the plan year in which such period began, or

“(ii) the average benefit provided to such participants on the date such period ends is more than 50 percent greater than the average benefit provided on the first day of the plan year in which such period began.

“(F) CERTAIN EMPLOYEES DISREGARDED.—For purposes of subparagraphs (D) and (E), any increase in coverage or value or in coverage or benefits, whichever is applicable, which is attributable to such coverage and value or coverage and benefits provided to employees—

“(i) who became participants as a result of a merger, acquisition, or similar event which occurred during the 7-year period preceding the date the class is closed, or

“(ii) who became participants by reason of a merger of the plan with another plan which had

been in effect for at least 5 years as of the date of the merger,

shall be disregarded, except that clause (ii) shall apply for purposes of subparagraph (D) only if, under the merger, the benefits, rights, or features under 1 plan are conformed to the benefits, rights, or features of the other plan prospectively.

“(G) RULES RELATING TO AVERAGE BENEFIT.—For purposes of subparagraph (E)—

“(i) the average benefit provided to participants under the plan will be treated as having remained the same between the 2 dates described in subparagraph (E)(ii) if the benefit formula applicable to such participants has not changed between such dates, and

“(ii) if the benefit formula applicable to 1 or more participants under the plan has changed between such 2 dates, then the average benefit under the plan shall be considered to have increased by more than 50 percent only if—

“(I) the total amount determined under section 430(b)(1)(A)(i) for all participants benefitting under the plan for the plan year in which the 5-year period described in subparagraph (E) ends, exceeds

“(II) the total amount determined under section 430(b)(1)(A)(i) for all such participants for such plan year, by using the benefit formula in effect for each such participant for the first plan year in such 5-year period,

by more than 50 percent. In the case of a CSEC plan (as defined in section 414(y)), the normal cost of the plan (as determined under section 433(j)(1)(B)) shall be used in lieu of the amount determined under section 430(b)(1)(A)(i).

“(H) TREATMENT AS SINGLE PLAN.—For purposes of subparagraphs (E) and (G), a plan described in section 413(c) shall be treated as a single plan rather than as separate plans maintained by each employer in the plan.

“(I) SPECIAL RULES.—For purposes of subparagraphs (A)(i) and (B)(iii)(II), the following rules shall apply:

“(i) In applying section 410(b)(6)(C), the closing of the class of participants shall not be treated as a significant change in coverage under section 410(b)(6)(C)(i)(II).

“(ii) 2 or more plans shall not fail to be eligible to be aggregated and treated as a single plan solely by reason of having different plan years.

“(iii) Changes in the employee population shall be disregarded to the extent attributable to individuals who become employees or cease to be employees, after the date the class is closed, by reason of a merger, acquisition, divestiture, or similar event.

“(iv) Aggregation and all other testing methodologies otherwise applicable under subsection (a)(4) and section 410(b) may be taken into account.

The rule of clause (ii) shall also apply for purposes of determining whether plans to which subparagraph (B)(i) applies may be aggregated and treated as 1 plan for purposes of determining whether such plans meet the requirements of subsection (a)(4) and section 410(b).

“(J) SPUN-OFF PLANS.—For purposes of this paragraph, if a portion of a defined benefit plan described in subparagraph (A) or (B)(iii) is spun off to another employer and the spun-off plan continues to satisfy the requirements of—

“(i) subparagraph (A)(i) or (B)(iii)(II), whichever is applicable, if the original plan was still within the 3-year period described in such subparagraph at the time of the spin off, and

“(ii) subparagraph (A)(ii) or (B)(iii)(III), whichever is applicable,

the treatment under subparagraph (A) or (B) of the spun-off plan shall continue with respect to such other employer.

“(2) TESTING OF DEFINED CONTRIBUTION PLANS.—

“(A) TESTING ON A BENEFITS BASIS.—A defined contribution plan shall be permitted to be tested on a benefits basis if—

“(i) such defined contribution plan provides make-whole contributions to a closed class of

participants whose accruals under a defined benefit plan have been reduced or eliminated,

“(ii) for the plan year of the defined contribution plan as of which the class eligible to receive such make-whole contributions closes and the 2 succeeding plan years, such closed class of participants satisfies the requirements of section 410(b)(2)(A)(i) (determined by applying the rules of paragraph (1)(I)),

“(iii) after the date as of which the class was closed, any plan amendment to the defined contribution plan which modifies the closed class or the allocations, benefits, rights, and features provided to such closed class does not discriminate significantly in favor of highly compensated employees, and

“(iv) the class was closed before April 5, 2017, or the defined benefit plan under clause (i) is described in paragraph (1)(C) (as applied for purposes of paragraph (1)(B)(iii)(IV)).

“(B) AGGREGATION WITH PLANS INCLUDING MATCHING CONTRIBUTIONS.—

“(i) IN GENERAL.—With respect to 1 or more defined contribution plans described in subparagraph (A), for purposes of determining compliance with subsection (a)(4) and section 410(b), the portion of such plans which provides make-whole contributions or other nonelective contributions may be aggregated and tested on a benefits basis with the portion of 1 or more other defined contribution plans which—

“(I) provides matching contributions (as defined in subsection (m)(4)(A)),

“(II) provides annuity contracts described in section 403(b) which are purchased with matching contributions or nonelective contributions, or

“(III) consists of an employee stock ownership plan (within the meaning of section 4975(e)(7)) or a tax credit employee stock ownership plan (within the meaning of section 409(a)).

“(ii) SPECIAL RULES FOR MATCHING CONTRIBUTIONS.—Rules similar to the rules of paragraph (1)(B)(ii) shall apply for purposes of clause (i).

“(C) SPECIAL RULES FOR TESTING DEFINED CONTRIBUTION PLAN FEATURES PROVIDING MATCHING CONTRIBUTIONS TO CERTAIN OLDER, LONGER SERVICE PARTICIPANTS.—In the case of a defined contribution plan which provides benefits, rights, or features to a closed class of participants whose accruals under a defined benefit plan have been reduced or eliminated, the plan shall not fail to satisfy the requirements of subsection (a)(4) solely by reason of the composition of the closed class or the benefits, rights, or features provided to such closed class if the defined contribution plan and defined benefit plan otherwise meet the requirements of subparagraph (A) but for the fact that the make-whole contributions under the defined contribution plan are made in whole or in part through matching contributions.

“(D) SPUN-OFF PLANS.—For purposes of this paragraph, if a portion of a defined contribution plan described in subparagraph (A) or (C) is spun off to another employer, the treatment under subparagraph (A) or (C) of the spun-off plan shall continue with respect to the other employer if such plan continues to comply with the requirements of clauses (ii) (if the original plan was still within the 3-year period described in such clause at the time of the spin off) and (iii) of subparagraph (A), as determined for purposes of subparagraph (A) or (C), whichever is applicable.

“(3) DEFINITIONS AND SPECIAL RULE.—For purposes of this subsection—

“(A) MAKE-WHOLE CONTRIBUTIONS.—Except as otherwise provided in paragraph (2)(C), the term ‘make-whole contributions’ means nonelective allocations for each employee in the class which are reasonably calculated, in a consistent manner, to replace some or all of the retirement benefits which the employee would have received under the defined benefit plan and any other plan or qualified cash or deferred arrangement under subsection (k)(2) if no change had been made to such defined benefit plan and such

other plan or arrangement. For purposes of the preceding sentence, consistency shall not be required with respect to employees who were subject to different benefit formulas under the defined benefit plan.

“(B) REFERENCES TO CLOSED CLASS OF PARTICIPANTS.—References to a closed class of participants and similar references to a closed class shall include arrangements under which 1 or more classes of participants are closed, except that 1 or more classes of participants closed on different dates shall not be aggregated for purposes of determining the date any such class was closed.

“(C) HIGHLY COMPENSATED EMPLOYEE.—The term ‘highly compensated employee’ has the meaning given such term in section 414(q).”

(b) PARTICIPATION REQUIREMENTS.—Paragraph (26) of section 401(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(I) PROTECTED PARTICIPANTS.—

“(i) IN GENERAL.—A plan shall be deemed to satisfy the requirements of subparagraph (A) if—

“(I) the plan is amended—

“(aa) to cease all benefit accruals, or

“(bb) to provide future benefit accruals only to a closed class of participants,

“(II) the plan satisfies subparagraph (A) (without regard to this subparagraph) as of the effective date of the amendment, and

“(III) the amendment was adopted before April 5, 2017, or the plan is described in clause (ii).

“(ii) PLANS DESCRIBED.—A plan is described in this clause if the plan would be described in subsection (o)(1)(C), as applied for purposes of subsection (o)(1)(B)(iii)(IV) and by treating the effective date of the amendment as the date the class was closed for purposes of subsection (o)(1)(C).

“(iii) SPECIAL RULES.—For purposes of clause (i)(II), in applying section 410(b)(6)(C), the amendments described in clause (i) shall not be treated as a significant change in coverage under section 410(b)(6)(C)(i)(II).

“(iv) SPUN-OFF PLANS.—For purposes of this subparagraph, if a portion of a plan described in clause (i) is spun off to another employer, the treatment under clause (i) of the spun-off plan shall continue with respect to the other employer.”

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act, without regard to whether any plan modifications referred to in such amendments are adopted or effective before, on, or after such date of enactment.

(2) SPECIAL RULES.—

(A) ELECTION OF EARLIER APPLICATION.—At the election of the plan sponsor, the amendments made by this section shall apply to plan years beginning after December 31, 2013.

(B) CLOSED CLASSES OF PARTICIPANTS.—For purposes of paragraphs (1)(A)(iii), (1)(B)(iii)(IV), and (2)(A)(iv) of section 401(o) of the Internal Revenue Code of 1986 (as added by this section), a closed class of participants shall be treated as being closed before April 5, 2017, if the plan sponsor’s intention to create such closed class is reflected in formal written documents and communicated to participants before such date.

(C) CERTAIN POST-ENACTMENT PLAN AMENDMENTS.—A plan shall not be treated as failing to be eligible for the application of section 401(o)(1)(A), 401(o)(1)(B)(iii), or 401(a)(26) of such Code (as added by this section) to such plan solely because in the case of—

(i) such section 401(o)(1)(A), the plan was amended before the date of the enactment of this Act to eliminate 1 or more benefits, rights, or features, and is further amended after such date of enactment to provide such previously eliminated benefits, rights, or features to a closed class of participants, or

(ii) such section 401(o)(1)(B)(iii) or section 401(a)(26), the plan was amended before the date of the enactment of this Act to cease all benefit accruals, and is further amended after such date of enactment to provide benefit accruals to a closed class of participants.

Any such section shall only apply if the plan otherwise meets the requirements of such section and in applying such section, the date the class of participants is closed shall be the effective date of the later amendment.

SEC. 206. MODIFICATION OF PBGC PREMIUMS FOR CSEC PLANS.

(a) **FLAT RATE PREMIUM.**—Subparagraph (A) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)) is amended—

(1) in clause (i), by striking “plan,” and inserting “plan other than a CSEC plan (as defined in section 210(f)(1))”;

(2) in clause (v), by striking “or” at the end;

(3) in clause (vi), by striking the period at the end and inserting “, or”;

(4) by adding at the end the following new clause:

“(vii) in the case of a CSEC plan (as defined in section 210(f)(1)), for plan years beginning after December 31, 2018, for each individual who is a participant in such plan during the plan year an amount equal to the sum of—

“(I) the additional premium (if any) determined under subparagraph (E), and

“(II) \$19.”.

(b) **VARIABLE RATE PREMIUM.**—

(1) **UNFUNDED VESTED BENEFITS.**—

(A) **IN GENERAL.**—Subparagraph (E) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)) is amended by adding at the end the following new clause:

“(v) For purposes of clause (ii), in the case of a CSEC plan (as defined in section 210(f)(1)), the term ‘unfunded vested benefits’ means, for plan years beginning after December 31, 2018, the excess (if any) of—

“(I) the funding liability of the plan as determined under section 306(j)(5)(C) for the plan year by only taking into account vested benefits, over

“(II) the fair market value of plan assets for the plan year which are held by the plan on the valuation date.”.

(B) **CONFORMING AMENDMENT.**—Clause (iii) of section 4006(a)(3)(E) of such Act (29 U.S.C. 1306(a)(3)(E)) is amended by striking “For purposes” and inserting “Except as provided in clause (v), for purposes”.

(2) **APPLICABLE DOLLAR AMOUNT.**—

(A) **IN GENERAL.**—Paragraph (8) of section 4006(a) of such Act (29 U.S.C. 1306(a)) is amended by adding at the end the following new subparagraph:

“(E) **CSEC PLANS.**—In the case of a CSEC plan (as defined in section 210(f)(1)), the applicable dollar amount shall be \$9.”.

(B) **CONFORMING AMENDMENT.**—Subparagraph (A) of section 4006(a)(8) of such Act (29 U.S.C. 1306(a)(8)) is amended by striking “(B) and (C)” and inserting “(B), (C), and (E)”.

TITLE III—OTHER BENEFITS

SEC. 301. BENEFITS PROVIDED TO VOLUNTEER FIREFIGHTERS AND EMERGENCY MEDICAL RESPONDERS.

(a) **INCREASE IN DOLLAR LIMITATION ON QUALIFIED PAYMENTS.**—Subparagraph (B) of section 139B(c)(2) of the Internal Revenue Code of 1986 is amended by striking “\$30” and inserting “\$50”.

(b) **EXTENSION.**—Section 139B(d) of the Internal Revenue Code of 1986 is amended by striking “beginning after December 31, 2010.” and inserting “beginning—

“(1) after December 31, 2010, and before January 1, 2020, or

“(2) after December 31, 2020.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2019.

SEC. 302. EXPANSION OF SECTION 529 PLANS.

(a) **DISTRIBUTIONS FOR CERTAIN EXPENSES ASSOCIATED WITH REGISTERED APPRENTICESHIP PROGRAMS.**—Section 529(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(8) **TREATMENT OF CERTAIN EXPENSES ASSOCIATED WITH REGISTERED APPRENTICESHIP PROGRAMS.**—Any reference in this subsection to the term ‘qualified higher education expense’ shall include a reference to expenses for fees, books, supplies, and equipment required for the participation of a designated beneficiary in an apprenticeship program registered and certified with the Secretary of Labor under section 1 of the National Apprenticeship Act (29 U.S.C. 50).”

(c) **DISTRIBUTIONS FOR QUALIFIED EDUCATION LOAN REPAYMENTS.**—

(1) **IN GENERAL.**—Section 529(c) of such Code, as amended by subsection (a), is amended by adding at the end the following new paragraph:

“(9) **TREATMENT OF QUALIFIED EDUCATION LOAN REPAYMENTS.**—

“(A) **IN GENERAL.**—Any reference in this subsection to the term ‘qualified higher education expense’ shall include a reference to amounts paid as principal or interest on any qualified education loan (as defined in section 221(d)) of the designated beneficiary or a sibling of the designated beneficiary.

“(B) **LIMITATION.**—The amount of distributions treated as a qualified higher education expense under this paragraph with respect to the loans of any individual shall not exceed \$10,000 (reduced by the amount of distributions so treated for all prior taxable years).

“(C) **SPECIAL RULES FOR SIBLINGS OF THE DESIGNATED BENEFICIARY.**—

“(i) **SEPARATE ACCOUNTING.**—For purposes of subparagraph (B) and subsection (d), amounts treated as a qualified higher education expense with respect to the loans of a sibling of the designated beneficiary shall be taken into account with respect to such sibling and not with respect to such designated beneficiary.

“(ii) **SIBLING DEFINED.**—For purposes of this paragraph, the term ‘sibling’ means an individual who bears a relationship to the designated beneficiary which is described in section 152(d)(2)(B).”.

(2) **COORDINATION WITH DEDUCTION FOR STUDENT LOAN INTEREST.**—Section 221(e)(1) of such Code is amended by adding at the end the following: “The deduction otherwise allowable under subsection (a) (prior to the application of subsection (b)) to the taxpayer for any taxable year shall be reduced (but not below zero) by so much of the distributions treated as a qualified higher education expense under section 529(c)(9) with respect to loans of the taxpayer as would be includible in gross income under section 529(c)(3)(A) for such taxable year but for such treatment.”.

(e) **EFFECTIVE DATES.**—The amendments made by this section shall apply to distributions made after December 31, 2018.

TITLE IV—REVENUE PROVISIONS

SEC. 401. MODIFICATION OF REQUIRED DISTRIBUTION RULES FOR DESIGNATED BENEFICIARIES.

(a) **MODIFICATION OF RULES WHERE EMPLOYEE DIES BEFORE ENTIRE DISTRIBUTION.**—

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

“(H) **SPECIAL RULES FOR CERTAIN DEFINED CONTRIBUTION PLANS.**—In the case of a defined contribution plan, if an employee dies before the distribution of the employee’s entire interest—

“(i) **IN GENERAL.**—Except in the case of a beneficiary who is not a designated beneficiary, subparagraph (B)(ii)—

“(I) shall be applied by substituting ‘10 years’ for ‘5 years’, and

“(II) shall apply whether or not distributions of the employee’s interests have begun in accordance with subparagraph (A).

“(ii) **EXCEPTION ONLY FOR ELIGIBLE DESIGNATED BENEFICIARIES.**—Subparagraph (B)(iii) shall apply only in the case of an eligible designated beneficiary.

“(iii) **RULES UPON DEATH OF ELIGIBLE DESIGNATED BENEFICIARY.**—If an eligible designated beneficiary dies before the portion of the employee’s interest to which this subparagraph applies is entirely distributed, the exception under clause (iii) shall not apply to any beneficiary of such eligible designated beneficiary and the remainder of such portion shall be distributed within 10 years after the death of such eligible designated beneficiary.

“(iv) **APPLICATION TO CERTAIN ELIGIBLE RETIREMENT PLANS.**—For purposes of applying the provisions of this subparagraph in determining amounts required to be distributed pursuant to this paragraph, all eligible retirement plans (as defined in section 402(c)(8)(B), other than a defined benefit plan described in clause (iv) or (v) thereof or a qualified trust which is a part of a defined benefit plan) shall be treated as a defined contribution plan.”.

(2) **DEFINITION OF ELIGIBLE DESIGNATED BENEFICIARY.**—Section 401(a)(9)(E) of such Code is amended to read as follows:

“(E) **DEFINITIONS AND RULES RELATING TO DESIGNATED BENEFICIARY.**—For purposes of this paragraph—

“(i) **DESIGNATED BENEFICIARY.**—The term ‘designated beneficiary’ means any individual designated as a beneficiary by the employee.

“(ii) **ELIGIBLE DESIGNATED BENEFICIARY.**—The term ‘eligible designated beneficiary’ means, with respect to any employee, any designated beneficiary who is—

“(I) the surviving spouse of the employee,

“(II) subject to clause (iii), a child of the employee who has not reached majority (within the meaning of subparagraph (F)),

“(III) disabled (within the meaning of section 72(m)(7)),

“(IV) a chronically ill individual (within the meaning of section 7702B(c)(2), except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature), or

“(V) an individual not described in any of the preceding subclasses who is not more than 10 years younger than the employee.

“(iii) **SPECIAL RULE FOR CHILDREN.**—Subject to subparagraph (F), an individual described in clause (ii)(I) shall cease to be an eligible designated beneficiary as of the date the individual reaches majority and any remainder of the portion of the individual’s interest to which subparagraph (H)(ii) applies shall be distributed within 10 years after such date.

“(iv) **TIME FOR DETERMINATION OF ELIGIBLE DESIGNATED BENEFICIARY.**—The determination of whether a designated beneficiary is an eligible designated beneficiary shall be made as of the date of death of the employee.”.

(3) **EFFECTIVE DATES.**—

(A) **IN GENERAL.**—Except as provided in this paragraph and paragraphs (4) and (5), the amendments made by this subsection shall apply to distributions with respect to employees who die after December 31, 2019.

(B) **COLLECTIVE BARGAINING EXCEPTION.**—In the case of 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, the amendments made by this subsection shall apply to distributions with respect to employees who die in calendar years beginning after the earlier of—

(i) the later of—

(I) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof agreed to on or after the date of the enactment of this Act), or

(II) December 31, 2019, or
(ii) December 31, 2021.

For purposes of clause (i)(I), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(C) GOVERNMENTAL PLANS.—In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), subparagraph (A) shall be applied by substituting “December 31, 2021” for “December 31, 2019”.

(4) EXCEPTION FOR CERTAIN EXISTING ANNUITY CONTRACTS.—

(A) IN GENERAL.—The amendments made by this subsection shall not apply to a qualified annuity which is a binding annuity contract in effect on the date of enactment of this Act and at all times thereafter.

(B) QUALIFIED ANNUITY.—For purposes of this paragraph, the term “qualified annuity” means, with respect to an employee, an annuity—

(i) which is a commercial annuity (as defined in section 3405(e)(6) of the Internal Revenue Code of 1986);

(ii) under which the annuity payments are made over the life of the employee or over the joint lives of such employee and a designated beneficiary (or over a period not extending beyond the life expectancy of such employee or the joint life expectancy of such employee and a designated beneficiary) in accordance with the regulations described in section 401(a)(9)(A)(ii) of such Code (as in effect before such amendments) and which meets the other requirements of section 401(a)(9) of such Code (as so in effect) with respect to such payments; and

(iii) with respect to which—

(I) annuity payments to the employee have begun before the date of enactment of this Act, and the employee has made an irrevocable election before such date as to the method and amount of the annuity payments to the employee or any designated beneficiaries; or

(II) if subclause (I) does not apply, the employee has made an irrevocable election before the date of enactment of this Act as to the method and amount of the annuity payments to the employee or any designated beneficiaries.

(5) EXCEPTION FOR CERTAIN BENEFICIARIES.—

(A) IN GENERAL.—If an employee dies before the effective date, then, in applying the amendments made by this subsection to such employee’s designated beneficiary who dies after such date—

(i) such amendments shall apply to any beneficiary of such designated beneficiary; and

(ii) the designated beneficiary shall be treated as an eligible designated beneficiary for purposes of applying section 401(a)(9)(H)(ii) of the Internal Revenue Code of 1986 (as in effect after such amendments).

(B) EFFECTIVE DATE.—For purposes of this paragraph, the term “effective date” means the first day of the first calendar year to which the amendments made by this subsection apply to a plan with respect to employees dying on or after such date.

(b) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(1) IN GENERAL.—If this subsection applies to any plan amendment—

(A) such plan shall be treated as being operated in accordance with the terms of the plan during the period described in paragraph (2)(B)(i); and

(B) except as provided by the Secretary of the Treasury, such 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.

(2) AMENDMENTS TO WHICH SUBSECTION APPLIES.—

(A) IN GENERAL.—This subsection shall apply to any amendment to any plan or which is made—

(i) pursuant to any amendment made by this section or pursuant to any regulation issued by the Secretary of the Treasury under this section or such amendments; and

(ii) on or before the last day of the first plan year beginning after December 31, 2021, or such later date as the Secretary of the Treasury may prescribe.

In the case of a governmental or collectively bargained plan to which subparagraph (B) or (C) of subsection (a)(4) applies, clause (ii) shall be applied by substituting the date which is 2 years after the date otherwise applied under such clause.

(B) CONDITIONS.—This subsection shall not apply to any amendment unless—

(i) 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 amendment not required by such legislative or regulatory amendment, the effective date specified by the plan); and

(II) ending on the date described in subparagraph (A)(ii) (or, if earlier, the date the plan amendment is adopted),

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

(ii) such plan amendment applies retroactively for such period.

SEC. 402. INCREASE IN PENALTY FOR FAILURE TO FILE.

(a) IN GENERAL.—The second sentence of subsection (a) of section 6651 of the Internal Revenue Code of 1986 is amended by striking “\$205” and inserting “\$400”.

(b) INFLATION ADJUSTMENT.—Section 6651(j)(1) of such Code is amended by striking “\$205” and inserting “\$400”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns the due date for which (including extensions) is after December 31, 2019.

SEC. 403. INCREASED PENALTIES FOR FAILURE TO FILE RETIREMENT PLAN RETURNS.

(a) IN GENERAL.—Subsection (e) of section 6652 of the Internal Revenue Code of 1986 is amended—

(1) by striking “\$25” and inserting “\$250”; and

(2) by striking “\$15,000” and inserting “\$150,000”.

(b) ANNUAL REGISTRATION STATEMENT AND NOTIFICATION OF CHANGES.—Subsection (d) of section 6652 of the Internal Revenue Code of 1986 is amended—

(1) by striking “\$1” both places it appears in paragraphs (1) and (2) and inserting “\$10”; and

(2) by striking “\$5,000” in paragraph (1) and inserting “\$50,000”; and

(3) by striking “\$1,000” in paragraph (2) and inserting “\$10,000”.

(c) FAILURE TO PROVIDE NOTICE.—Subsection (h) of section 6652 of the Internal Revenue Code of 1986 is amended—

(1) by striking “\$10” and inserting “\$100”; and

(2) by striking “\$5,000” and inserting “\$50,000”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to returns, statements, and notifications required to be filed, and notices required to be provided, after December 31, 2019.

SEC. 404. INCREASE INFORMATION SHARING TO ADMINISTER EXCISE TAXES.

(a) IN GENERAL.—Section 6103(o) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) TAXES IMPOSED BY SECTION 4481.—Returns and return information with respect to taxes imposed by section 4481 shall be open to inspection by or disclosure to officers and employees of United States Customs and Border Protection of the Department of Homeland Security whose official duties require such inspection

or disclosure for purposes of administering such section.”.

(b) CONFORMING AMENDMENTS.—Paragraph (4) of section 6103(p) of the Internal Revenue Code of 1986 is amended by striking “or (o)(1)(A)” each place it appears and inserting “, (o)(1)(A), or (o)(3)”.

TITLE V—TAX RELIEF FOR CERTAIN CHILDREN

SEC. 501. MODIFICATION OF RULES RELATING TO THE TAXATION OF UNEARNED INCOME OF CERTAIN CHILDREN.

(a) IN GENERAL.—Section 1(j) of the Internal Revenue Code of 1986 is amended by striking paragraph (4).

(b) COORDINATION WITH ALTERNATIVE MINIMUM TAX.—Section 55(d)(4)(A) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of clause (i)(II), by striking the period at the end of clause (ii)(III) and inserting “, and”, and by adding at the end the following new clause:

“(iii) subsection (j) of section 59 shall not apply.”.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2018.

(2) COORDINATION WITH ALTERNATIVE MINIMUM TAX.—The amendment made by subsection (b) shall apply to taxable years beginning after December 31, 2017.

(3) ELECTIVE RETROACTIVE APPLICATION.—In the case of a taxpayer who elects the application of this paragraph (at such time and in such manner as the Secretary of the Treasury (or the Secretary’s designee) may provide), the amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2017.

The SPEAKER pro tempore. The bill, as amended, shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means.

The gentleman from Massachusetts (Mr. NEAL) and the gentleman from Texas (Mr. BRADY) each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts.

GENERAL LEAVE

Mr. NEAL. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to insert extraneous material on H.R. 1994.

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

There was no objection.

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

Madam Speaker, I rise in support of H.R. 1994, the Setting Every Community Up for Retirement Enhancement Act, or the SECURE Act. This is the most substantive promotion of retirement savings in the last 15 years, and we all should be pleased that we are part of it this morning.

One of my priorities since becoming chairman of the Ways and Means Committee has been helping American workers of all ages prepare for a financially secure retirement, so I am particularly pleased to be bringing this legislation to the floor this morning.

I also am very proud of the fact that I was able to collaborate with Ranking

Member KEVIN BRADY and our Republican colleagues in drafting this legislation. Both Republicans and Democrats have wins in this bill, and I would like to thank Mr. BRADY this morning for all of his hard work in helping me to write this legislation.

Unfortunately, currently, Americans face a retirement income crisis with too many people in danger of not having enough in retirement to maintain their standard of living and avoid sliding into poverty.

Social Security benefits are modest; employer-sponsored pensions are disappearing; and too many people find it difficult to save for retirement. According to a recent study, one-third of American workers believe that they will either face a significant financial hardship during retirement or, in fact, will never retire. And the 2018 study found that almost two-thirds of workers have no retirement account assets.

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The SECURE Act, which the Ways and Means Committee approved with unanimous, bipartisan votes, goes a long way in addressing this problem by making it easier for Americans to save.

For example, the SECURE Act includes a small employer automatic enrollment credit. Automatic enrollment is shown to increase employee participation and retirement savings opportunities. Our bill creates a new tax credit of up to \$500 per year for employers to defray the startup costs for new 401(k) plans that include automatic enrollment.

The SECURE Act also increases the age for required minimum distributions from 70½ to 72. This age hasn't been adjusted since the 1960s. With Americans working longer, this will encourage them to continue saving.

The SECURE Act also allows long-term, part-time employees to participate in their employer's 401(k) plans. Women are more likely to work part-time than men, so this legislation is particularly important for women.

Madam Speaker, I thank Representative MURPHY for her leadership here.

The bill would also make it easier for small businesses to offer retirement plans to their employees by eliminating outdated barriers to the use of multiple employer plans. As a result of this provision, it is estimated that 600,000 to 700,000 new retirement opportunities will be formed.

All of these are important, common-sense proposals that will improve our retirement system.

I also note that this bill has tremendous support from a diverse group of stakeholders: AARP, SEIU, the Women's Institute for a Secure Retirement, Church Alliance, the Girl Scouts, the Boy Scouts, and the National Rural Electric Cooperative.

Finally, Madam Speaker, I want to highlight a provision that fixes an urgent problem affecting children of our fallen troops and first responders. Due to changes included in the Republicans'

tax law, the amount of tax imposed on survivor benefits for children of veterans, Active Duty servicemembers, and emergency personnel increased significantly.

This bill eliminates that tax increase by repealing those changes. It also makes sure that all similar payments, like Tribal government payments to children, payments out of the Alaska Permanent Fund, and certain scholarships and fellowship grants will not be subject to this unexpected and unfair tax treatment.

These fixes could not have been accomplished without Mrs. LURIA's leadership on behalf of our troops, along with many Members on both sides of the aisle who supported her efforts.

We should recognize Ms. MOORE's leadership on Tribal payments and Mr. HORSFORD's leadership on the scholarship issue.

I am very proud that we were able to put together a bill that will help American families prepare for a financially secure retirement, and that it was done on a bipartisan basis, which we will acknowledge as the morning moves on, with significant stakeholder support.

Madam Speaker, I urge my colleagues to support H.R. 1994, the SECURE Act, and I reserve the balance of my time.

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

Madam Speaker, for nearly 2 years, Republicans have been advocating for policies that help our families and Main Street businesses save more and save earlier for the future.

Following the historic rewrite of our Tax Code, Republicans knew the Tax Cuts and Jobs Act was only step one. We knew that we changed the trajectory of our economy with our reforms.

Today in America, we are growing 50 percent faster than the Obama administration projected. Wages are surging for blue-collar workers and low-income workers for the first time in a decade, and our job market continues to be the envy of the world.

These are all encouraging signs, and Republicans are committed to building on this success for years to come, which is why last year, we set out to change the culture in Washington, where we only do, it seems, tax reform once a generation.

In Tax Reform 2.0, we passed three bills that offered permanent tax relief for families and small businesses, sparked American innovation, and went further and enhanced retirement and savings vehicles for our workers and our local, mainstream businesses.

That effort, the Family Savings Act, was led by Representative MIKE KELLY.

Those reforms passed on a bipartisan basis, and our retirement proposals passed the U.S. House of Representatives not once but twice.

Unfortunately, time ran out on the calendar before we were able to get these reforms to the President's desk. But I was greatly encouraged earlier

this year when Chairman NEAL reached out to say he was committed to getting retirement-focused legislation signed into law this year. This area, retirement savings, is one that Chairman NEAL has worked on for much of his career.

Right away, he and I, and many members of our committee worked together to develop the Setting Every Community Up for Retirement Enhancement Act, the SECURE Act, we debate today.

The SECURE Act builds well on the work that Republicans have championed throughout this Congress and the last. Our bipartisan legislation makes it easier for Main Street businesses to offer retirement plans for their workers by making it simpler, easing administrative burdens, and cutting down on unnecessary and often costly paperwork.

We make it easier for them to join together to pool their resources to offer these plans. We offer local businesses the flexibility to tailor retirement plans to best fit their workers, not necessarily what Washington may need.

Additionally, our reforms help Americans not only save earlier in their careers, but it helps families save longer, as well.

We know for a fact that people are choosing to work longer today than in previous generations. Our Tax Code should reflect that, which is why we make smart, needed changes to reflect today's workforce.

First, the age limit for contributing to IRAs is removed, as it should be.

Second, we increase the minimum age for forcing people to spend their savings from 70½ to 72 years of age. My hope is, someday, we can we remove it completely. We want Americans to save throughout their lifetime and use those savings when they need it most, not when Washington needs it.

This legislation is prowork and, equally as important, our bill is also profamily.

For the first time, we allow what we call the new baby savings provision. We allow parents to access their own retirement accounts on a penalty-free basis to use when welcoming a new child into their homes, whether by birth or adoption. This works well for working parents and stay-at-home parents, as well. It is allowed to be used for the things you need, whether it is medical equipment, medical expenses, or if you need to spend time at home with your new child in those opening weeks. We know all that is so important.

The bill also expands 529 plans to make sure you can use, tax-free, your savings for apprenticeships or to pay down college debt.

Our legislation lowers taxes for Gold Star families, ensuring that children of our fallen heroes have the certainty they deserve. This provision was first made public in 2014 in a draft that was widely praised by Democrats and Republicans alike.

It was brought to us by the Joint Committee on Taxation to make it simpler for families to file their kids' taxes and also to close some tax loopholes for the wealthy. Unfortunately, over 5 years, with scrutiny by both parties, tax experts, and the Joint Committee on Taxation, we still did not see one unintended consequence.

In this bill, we worked together, Republicans and Democrats, to make sure we honor our Gold Star families.

The time is right for these reforms. Workers' paychecks are rising; inflation is low; and businesses are expanding. What better opportunity to help folks save for the future?

Chairman NEAL deserves a great deal of credit. The bill we brought to the Rules Committee earlier this week cleared our committee nearly unanimously. Members of the Progressive Caucus, Freedom Caucus, New Democrats, Problem Solvers, and Republican Study Committee, we all voted "yes" on these reforms.

This is a rare occurrence in Washington, and it speaks to what a committee can accomplish when we work together on reforms to positively impact our families and economy.

I have to admit, it is incredibly troubling that special interests—in this case, teachers unions—forced changes on our bipartisan bill for absolutely no good reason at the eleventh hour.

These special interest groups forced Democrats to block two provisions.

One allows parents to use their educational savings tax-free for the expenses of homeschooling. Nearly 2.5 million families use parent-centered, child-centered homeschooling as the best way for their children to reach their potential. It is all types of Americans and becoming more mainstream. It is Christians and Jews and Muslims. It is all races. It is parents whose kids are exceptionally bright and parents whose kids have learning disabilities and severe special needs. That is why that was in the bill.

The second provision that was blocked would allow families with kids in grades kindergarten through 12 to use savings for books, tutors, and educational therapies for students who may need it, such as those with learning disabilities. How many of us in this Chamber have kids with special needs and learning disabilities, some with mental and physical challenges? This would have allowed our parents to save tax-free and to help their kids with the special tools they need to reach their full potential.

I want to talk a little more about this in the future, but my bottom line is that backdoor deals made in the dead of night without bipartisan knowledge or support are not the way to do business.

Nonetheless, as we begin the debate on this bill, I am very encouraged by the underlying bill we have in front of us. It will greatly benefit our workers. It deserves strong support, and I am asking my colleagues on both sides of the aisle to support these reforms.

Madam Speaker, I reserve the balance of my time.

Mr. NEAL. Madam Speaker, I include in the RECORD a letter from the Church Alliance.

CHURCH ALLIANCE,
April 1, 2019.

Hon. RICHARD NEAL,
Chairman, House Committee on Ways and Means, Washington, DC.

Hon. KEVIN BRADY,
Ranking Member, House Committee on Ways and Means, Washington, DC.

Hon. RON KIND,
House of Representatives,
Washington, DC.

Hon. MIKE KELLY,
House of Representatives,
Washington, DC.

DEAR CHAIRMAN NEAL, RANKING MEMBER BRADY, CONGRESSMAN KIND AND CONGRESSMAN KELLY: The Church Alliance expresses our deep gratitude for inclusion of a provision to clarify that all church-affiliated organizations are able to participate in church 403(b)(9) retirement plans in the recently introduced Setting Every Community up for Retirement Enhancement (SECURE) Act of 2019 (H.R. 1994). We are grateful for the tremendous bipartisan work that has been done over the past several years on retirement reform, and are hopeful Congress will swiftly pass this legislation to ensure retirement security for clergy, lay workers and their families across the United States.

The Church Alliance is a coalition of the chief executive officers of 37 church benefits boards which are affiliated with mainline and evangelical Protestant denominations, three Jewish groups, and some Catholic schools and institutions. Church Alliance members provide employee benefits to approximately one million clergy, lay workers, and their families, serving over 155,000 churches, synagogues, and affiliated organizations such as schools, colleges and universities, nursing homes, children's homes, homeless shelters, food banks, and other ministries.

Section 110 of the SECURE Act seeks to clarify a recent position by the Treasury Department and IRS to disregard more than 30 years of practice, precedent, and clear statutory language to bar employees of certain church-affiliated organizations from participating in retirement income account plans offered under section 403(b)(9) of the Tax Code. As a result, employees of church-related nursing homes, daycare centers, summer camps, preschools, colleges, universities, hospitals, and other social service organizations stand to lose access to the unique plan features they have come to depend upon. In addition, the Treasury and IRS position would cause church 403(b)(9) plans to incur significant transition costs, which would unfortunately siphon resources away from our core mission of supporting clergy and church lay workers and lead to higher costs for these plan participants.

We are encouraged by the introduction of the SECURE Act and its upcoming markup on April 2. We hope the House votes on passage of this important legislation as soon as possible. On behalf of the Church Alliance, thank you for your consideration of and attention to this important matter. We look forward to continuing to work with you to promote the retirement security of people of faith nationwide.

Sincerely,

JAMES F. (JIM) SANFT,
Chair of the Church Alliance.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from California (Mr. THOMPSON), who is the

chairman of the Subcommittee on Select Revenue Measures.

Mr. THOMPSON of California. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, I rise in strong support of the SECURE Act. I thank the chairman, Mr. NEAL, and Speaker PELOSI for their leadership on this important bill.

America is facing a retirement crisis. Nearly half of all the people in America do not have any money saved for retirement. The SECURE Act before us today helps fix that.

I am glad we could reach this bipartisan solution to make it easier for workers, including home healthcare workers in California, to take advantage of important retirement savings tools.

As a combat veteran and the father of two first responders, I understand how important it is that this bill also reverses the harmful tax hikes included in the Republican tax bill on survivor benefits. Hiking taxes on Gold Star families and families of first responders is unjust, and it insults how sacred these benefits are. It is just plain wrong. This bill reverses that harmful provision.

Madam Speaker, I thank Congresswoman LURIA for her leadership in this effort.

Madam Speaker, I ask that all my colleagues join me in support of this very important bill.

Mr. BRADY. Madam Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. KELLY), who has helped lead many of these retirement reforms.

Mr. KELLY of Pennsylvania. Madam Speaker, I thank Ranking Member BRADY for yielding. I am so used to calling him chairman, but I look across the aisle to my great friend RICHARD NEAL, who is chairman right now, and I thank him so much for bringing this up today.

Madam Speaker, I enter into the RECORD a letter in support of the SECURE Act from AARP.

AARP,
May 22, 2019.

DEAR REPRESENTATIVE: On behalf of our nearly 38 million members and all older Americans, AARP supports the Setting Every Community Up for Retirement Act of 2019 (SECURE Act).

The SECURE Act contains a number of provisions that will improve both access and levels of coverage in employer-sponsored retirement savings plans. The legislation would enhance tax credits for employers that offer retirement plans with automatic enrollment and encourage more adequate deferral amounts. The legislation would also make it easier for small businesses to offer employees an automatic savings option through a multiple employer pension plan—a single plan in which a pooled provider assumes the primary fiduciary duties, making it easier for smaller employers to join together to offer a retirement plan to their workers.

Another important component of the SECURE Act is the expansion of access to retirement savings plans for part-time workers. There are more than 27 million part-time workers in the U.S., including more

than seven million Americans age 55 and older. According to AARP research, 38 percent of those age 25 to 49 and 26 percent of those age 50 to 64 who work part-time do so because of caregiving responsibilities—either for children or an adult loved one. Helping these workers save for retirement through a workplace savings plan would be important for their long-term financial security. The bill would be especially helpful to both caregivers and older workers who shift from full-time to part time status.

The bill would also give workers more information to prepare for retirement as well as protections to safeguard their hard-earned savings. It would require that workers' benefit statements add a lifetime income disclosure so that the statements show not just a lump sum, but the monthly value of their savings at retirement. Seniors would also be able to delay the required draw down of retirement savings until age 72, giving them more time to accumulate savings. The bill would also clarify rules on how employers and plans may select appropriate lifetime income payments. It is important to retain strong fiduciary law protections that ensure all retirement plan decisions, including for pooled plans and annuity selections, are made solely in the interest of participants and beneficiaries.

We urge you to vote YES on the SECURE Act, and look forward to working with you to enact legislation to enhance the ability of American workers to save for a secure retirement. If you have any questions, please feel free to call me, or have your staff contact Michele Varnhagen on our Government Affairs staff.

Sincerely,

NANCY A. LEAMOND,
*Executive Vice President and
Chief Advocacy and Engagement Officer.*

Mr. KELLY of Pennsylvania. Madam Speaker, this is an unusual day. In many cases, it is providential, as we look on the eve of the time that we take to honor our fallen war dead.

Some people confuse it with the beginning of summer or the opening of our swimming pools. It has nothing to do with that.

But the fact that we can talk today about the SECURE Act—and when you talk about “secure,” what does “secure” mean? It means giving you certainty, making you assured, and making something reliable, something dependable, something that is fixed, something that is established, and something that is solid and sound.

What we are doing today is acting in the best interests of the American people. We are doing it in the people's House at a time when the rest of the Nation looks at us and asks, “Isn't there anything they can do together to help the American people?”

When I go home, I say, yes, there is. I have a great friend from Wisconsin, RON KIND, and we feel the same way. I talked with Mr. BRADY about it, and we feel the same way. I have talked with Mr. NEAL about it, and we feel the same way.

Today's effort is adding security in retirement years for every American, the opportunity to go into those golden years with a little gold in their pockets so that they can get through it, giving them peace of mind in being able to lay their heads on the pillows at night feeling safe and secure, knowing that they have prepared for their retirements.

There are many other pieces to this bill. We have talked about the provi-

sions to the Gold Star program. So if something was wrong, we made it right.

The 529 programs give people the opportunity to actually save and allocate money for the education of their children.

□ 0930

It may not be in a 4-year college. Maybe it is a vocational opportunity. But it is there. It is their money, and they should be able to use it the way they want to use it.

I just said earlier about it being providential, and I mean that sincerely. There will be a few times today that the American people will look at us and say: They really have our best interests at heart. They really go to work every day thinking that they are not representing themselves but representing us, the American people.

When I look at this piece of legislation, I know how hard we worked with the chairman to get it through in the past sessions. We almost got it there but didn't quite get it there.

Madam Speaker, I say to Chairman NEAL, we are getting there. We are getting there. And I say to Mr. KIND, we are getting there.

I just think that it is such a fantastic opportunity to show the American people who we really are and what we really do and where our hearts really lie.

There are so many people who worked on this. Also, the staff. I thank Kara for doing the work that she has done. I always call her my girl Friday. In our office, Lori Prater. They all work so closely together. I wish the American people could see the camaraderie, could see how well we work together, and could understand that our concerns and their concerns are the same.

I am saying today that the SECURE Act gives us that opportunity. The time for the American people and retired people is just beginning, and we have blue skies and strong winds on our backs.

Madam Speaker, I wish everybody the best Memorial Day ever, and let's not forget our fallen heroes.

Mr. NEAL. Madam Speaker, that is one of those moments when I didn't mind the gentleman's time running over.

Madam Speaker, I include in the RECORD a letter of support from diverse coalitions across the country, including the Girl Scouts, the Jewish Federation, the Boy Scouts of America, the Christian Schools International, The Rural Broadband Association, and the National Council of Farmer Cooperatives.

APRIL 1, 2019.

CHARITIES & CO-OPS ENDORSE “SECURE ACT” RETIREMENT PACKAGE—STOPS PBGC FROM GROSSLY OVERCHARGING OUR PENSION PLANS

We endorse the bipartisan “SECURE Act” retirement package introduced by Ways & Means Chairman Richard Neal (D-MA), Ranking Member Kevin Brady (R-TX), and Reps. Ron Kind (D-WI) and Mike Kelly (R-PA). The “SECURE Act” stops the Pension Benefit Guaranty Corp. (PBGC) from grossly overcharging “Cooperative and Small Em-

ployer Charity” defined benefit pension plans, i.e., plans covering multiple charities or rural cooperatives (“CSEC Plans”) by including critical provisions of H.R. 1007, the “Retirement Enhancement and Savings Act” and H.R. 1993, the “Providing Retirement Security to Workers in Small Businesses, Cooperatives, and Service Organizations Act” championed by Reps. Kind and Kelly.

Our core missions are to provide food, electricity, broadband, and other necessities of life, educate and empower children, care for the most vulnerable, and promote the sustainable development of the communities in which our millions of members, volunteers and beneficiaries live. However, current PBGC rules designed for large “single-employer” for-profit companies inappropriately require us to divert scarce resources from our core missions. These bills fix this inequity permanently.

The same facts that led Congress to adjust funding rules for CSEC Plans in 2014 strongly support adjusting PBGC premiums charged to CSEC Plans today. (See Cooperative and Small Employer Charity Pension Flexibility Act of 2014 (Pub. L. No. 113-97). It does not make sense for CSEC Plans to be subject to premiums designed for large “single-employer” for-profit companies.

It's time to stop forcing charities and not-for-profit cooperatives to subsidize the PBGC premiums of large “single-employer” companies. PBGC's own data supports reducing premiums for CSEC Plans; in fact, PBGC projects making more than a 3,000 percent return on CSEC plans for the 2014–2018 period.

Congress should include these provisions in any retirement package sent to the President's desk.

Girl Scouts of the USA; UJA—Federation of New York, Inc.; National Rural Electric Cooperative Assoc.; Boy Scouts of America; United Benefits Group; NTCA—The Rural Broadband Association; The Jewish Federations of North America; Christian Schools International; Jewish United Fund/Jewish Federation of Metropolitan Chicago; Hawkeye Insurance Association; National Council of Farmer Cooperatives.

Mr. NEAL. Madam Speaker, I acknowledge the good work that Mr. KELLY and Mr. KIND did on one very important amendment on this as well.

Madam Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Madam Speaker, after years and years of prior Congresses thinking that tax policy was giving cuts to the rich, this bill uses our Tax Code for some good.

As the gentleman, my good friend from Pennsylvania, just said, we can work together, we can walk and chew gum at the same time, we can have oversight and have issues come up, and we join together for the American people. Whoever thinks otherwise doesn't know history and is not reading the papers every day.

Retirement should be about one thing: security. If you have spent your life working your tail off, you have the right to be able to relax without fear.

But, today, millions of Americans—millions—are afraid they are entering or are in retirement and don't have the resources they need to live. Many live on a Social Security check. They struggle to enjoy their best years.

Employees deserve benefits, and employers need incentives to provide them. This legislation does both. It provides flexibility to 401(k)s to give employees and small businesses better access; it creates a tax credit for employers; and it creates a tax credit for employers that build automatic enrollment plans.

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. PASCRELL. By passing this bill, we would finally repeal the maximum age for IRA contributions, something I have worked on for many years.

This bill cleared out of our committee unanimously. That is pretty rare. It is as rare as a unicorn. That tells you how commonsense the bill is.

I am glad that this bill eliminates an unfair tax, a tax increase on the benefits of children and Gold Star military families that was caused by the tax bill of 2017. This was a crushing blow to many families.

Madam Speaker, it is fitting that the House will make this fix before Memorial Day.

I encourage my colleagues to support the SECURE Act.

Mr. BRADY. Madam Speaker, I am proud to yield 2 minutes to the gentleman from North Carolina (Mr. HOLDING), a key member of the Ways and Means Committee.

Mr. HOLDING. Madam Speaker, this past Saturday, I had the great pleasure of addressing a number of homeschool graduates in Cary, North Carolina, 55 of them, in fact.

I was impressed by these students, and I was inspired by their parents, who have made so many sacrifices and who have dedicated immeasurable time to ensuring their kids get a good education.

Today, we were supposed to be voting on legislation that would help homeschoolers. Tens of millions of Americans choose 529 savings plans to cover K-12 expenses. This money can be used for public schools, private schools, and religious schools, but it cannot be used to cover homeschool expenses.

This bill was supposed to fix this inequity by enabling homeschool parents to use their 529 savings plans. This would help erase and ease the financial burden on homeschool parents and give homeschoolers the same opportunities and resources enjoyed by other kids who go to private and public schools.

As Chairman NEAL said, Republicans and Democrats on the Ways and Means Committee came together, passed this bill out of our committee. Then it went to the Rules Committee, and Democratic leadership intervened. At the last minute, the bill was changed, and the language ending this discrimination against homeschoolers was removed.

Why would anyone object to ending the wrongful discrimination against homeschool families? There are over

130,000 homeschoolers in North Carolina and 1.6 million across the country. They deserve fairness, and their incredible parents deserve our help.

Sadly, Madam Speaker, that is not going to happen today. Otherwise, this is a good bill, but it certainly could have been a better bill.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Illinois (Mr. DANNY K. DAVIS).

Mr. DANNY K. DAVIS of Illinois. Madam Speaker, when only 39 percent of Americans have enough savings to cover an emergency costing \$1,000 and when 67 percent of Americans say that they will outlive their retirement savings, the SECURE Act becomes a lifesaver.

It becomes a lifesaver because it makes it easier for small businesses to offer retirement plans. It gives retirement benefit opportunities to home healthcare workers, more than half of whom are women of color, working for extremely low pay.

And I must take note of that, because these individuals are at the low end of not only quality of life but low end of earnings. They now have an opportunity for some serious consideration of retirement.

It creates a small employer automatic enrollment credit to make it easier for workers to participate in 401(k) plans.

These are important changes. It is a great bill, not just a good bill.

Madam Speaker, I strongly support it, and I urge all my colleagues to do so.

Mr. BRADY. Madam Speaker, I am proud to yield 2 minutes to the gentleman from Missouri (Mr. SMITH), a member of the Ways and Means Committee, who has been a champion for expanding education savings accounts for Americans.

Mr. SMITH of Missouri. Madam Speaker, I rise today to speak about a broken agreement and a missed opportunity to help families save for their children's education.

In April, the Ways and Means Committee marked up this bill in a very bipartisan manner. We heard ideas from both sides of the aisle to help Americans save for the future and their retirements.

Like all good negotiations, there was give and take. No side got everything they wanted, but we reached an agreement where we could pass the bill unanimously. In short, this is how the American people expect their government to work.

Madam Speaker, unfortunately, it became clear that this agreement was not in good faith. At the last minute, Democrats decided to undermine our bipartisan work on the Ways and Means Committee and stripped out an issue many Republicans feel strongly about: helping families afford everyday K-12 education costs.

Expanding 529 education savings accounts to cover common K-12 expenses would help all families save for their

children's education and their unique needs, no matter where they attend school, whether it is public school, private school, religious school, homeschool, and so on.

Madam Speaker, I want to know, what is so controversial about helping families afford educational therapies for students with disabilities? What is so controversial about making it easier to pay for tutoring, books, and standardized testing fees?

This is a missed opportunity to help families afford education costs no matter where they send their children to school, and it is a shame that partisan politics is getting in the way of helping families everywhere.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. EVANS).

Mr. EVANS. Madam Speaker, I thank the chairman of this strong, powerful committee and the ranking member for leading this effort.

Madam Speaker, I rise to offer my support for the SECURE Act.

Making it easier for small businesses to offer retirement savings plans is vital. It is vital not only for the benefit of these small firms but also the people they employ, their families, and the communities they support.

In my home State of Pennsylvania, we have nearly 1 million small businesses, employing 2.5 million workers, accounting for 46.7 percent of the workforce for the entire State. Small firms account for 99.6 percent of my State's employers.

Small businesses are a vital part of saving our middle neighborhoods in Philadelphia and across the country. These are neighborhoods that are poised to tip either toward blight or growth. By helping small businesses and their employees, the SECURE Act would help to revitalize these middle neighborhoods and help our economy grow from the ground up.

Again, I thank the chairman and his leadership and the ranking member for this action.

Mr. BRADY. Madam Speaker, I am very proud to yield 2 minutes to the gentleman from Arizona (Mr. SCHWEIKERT), a key member of our committee who worked on this legislation.

Mr. SCHWEIKERT. Madam Speaker, to the committee chairman and, in my world, the chairman for life, you have done great.

It has been an interesting experience being in the minority, but we are blessed. We have freaky-smart people on the committee. It works. Even when we disagree, at least the debate and the discussion is fairly highbrow.

I, too, am concerned on the 529, more so because of the flexibility and, being the daddy of a 3½-year-old, not completely knowing if there are going to be any special needs coming, that choice. We should love and embrace the concept of that flexibility to take care of our little people.

I am very encouraged that there is movement towards incentivizing it and

making it easier, particularly for smaller businesses, to offer access into retirement accounts.

We need to have the conversation—and it is uncomfortable for all of us—a bit further.

The amount of our society that is now in independent-contractor relationships, should we be allowed to use technology so that population also starts to have more and more savings for the future? We just need to deal with it. That is where much of the economy, in a demand economy, is going.

My last caveat—and I am voting for the bill. We have come a long ways. I do worry a little bit about the special agreement on newspapers, only because if we are truly worried about protecting workers into their retirement years, do we want to create more even special, special, special small cutouts where we are allowing the underfunding of a pension system?

We just need to think that through a little more from an ethical standpoint. Do we keep creating carve-out after carve-out after carve-out that creates a fragility for that retired population?

Even though we think we are helping the businesses survive, we actually hurt the future chances of those retirees getting their checks. We need to be careful on that.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentlewoman from California (Ms. SANCHEZ), who was very instrumental in the provisions that will simplify the Form 5500 filing process for small business.

Ms. SANCHEZ. Madam Speaker, I rise in support of the SECURE Act. I thank Chairman RICHARD NEAL for his tireless efforts to get this legislation across the finish line.

I have been proud to support versions of this bill for many years, and I am pleased that one of my bills has been included. My piece of this package offers a simple yet impactful way for small businesses across the country to better afford retirement plans for their employees.

Too many Americans simply aren't putting enough money away to ensure a secure retirement. Today's bill takes important steps to strengthen access to retirement security for hardworking Americans, and I am proud to have contributed one piece to solving this puzzle.

□ 0945

But we still have a lot of work to do. I look forward to the passage of the SECURE Act today, and I am ready to keep working on the Ways and Means Committee to continue addressing our national retirement savings crisis.

Madam Speaker, I again thank Chairman NEAL.

Mr. BRADY. Madam Speaker, I am proud to yield 2 minutes to the gentleman from Kansas (Mr. ESTES), one of our new members of the Ways and Means Committee.

Mr. ESTES. Madam Speaker, I rise today in support of the SECURE Act. It

is an overall good policy that will encourage Americans to save for retirement.

I am pleased that this bill makes it easier for small businesses to join together and offer retirement plans for more Americans. It allows graduate students and home healthcare workers to save more for retirement.

It includes a policy change to help Gold Star families. It also includes a fix to the taxation of children's unearned income that will support American Indian Tribal youth and encourage them to pursue a college education, similar to the legislation that I helped introduce with my colleague from Wisconsin (Ms. MOORE).

Finally, this bill will allow 529 plans to be used to pay for student loans and apprenticeship programs.

As a former State treasurer of Kansas, I oversaw a 529 plan and understand the importance of expanding these plans for our families. That is why I am disappointed that the manager's amendment removed good policy from this legislation that would have allowed 529 plans to help be used for expenses for K-12 education and to help special needs children.

Earlier this year, my Republican colleagues and I on the Ways and Means Committee entered good faith negotiations with Chairman NEAL and our Democratic colleagues to craft this bill. As a result, Republicans and Democrats on the committee unanimously voted for the SECURE Act in April.

However, since that time, the other side of the aisle played politics with this legislation when it was before the Rules Committee and removed those additional 529 provisions that were originally included to help special needs students. So, while I support today's bill and the policies that are still included, I sincerely hope that, moving forward, we can stop playing politics with good pieces of legislation and work in a bipartisan manner and negotiate in good faith to produce legislation that will help the American people.

Mr. NEAL. Madam Speaker, I include in the RECORD a letter of support for the SECURE Act from the National Association of Insurance Commissioners.

NATIONAL ASSOCIATION OF
INSURANCE COMMISSIONERS,

May 7, 2019.

Hon. RICHARD E. NEAL,
Chairman, Ways and Means Committee, House
of Representatives, Washington, DC.

Hon. KEVIN BRADY,
Ranking Member, Ways and Means Committee,
House of Representatives, Washington, DC.

DEAR CHAIRMAN NEAL AND RANKING MEMBER BRADY: On behalf of the National Association of Insurance Commissioners (NAIC), we would like to express our support for H.R. 1994, the Setting Every Community Up for Retirement Enhancement (SECURE) Act. Recognizing the retirement savings crisis that exists in the United States, state insurance regulators have worked to make improvements to regulation and guidance impacting product delivery, compliance, and innovation of insurance products designed to

help mitigate this crisis under the NAIC Retirement Security Initiative. Given the unique products and features of our sector, state insurance regulators have embraced a broader public policy responsibility to not only ensure consumers remain protected by a solvent industry, but to help foster an environment where they have greater flexibility and more options to take informed steps to secure their retirement. The SECURE Act is aligned with the goals of this initiative as it seeks to provide greater consumer options for retirement plans.

Several of the provisions contained in the SECURE Act also complement our own consumer financial literacy and disclosure efforts and will make it easier for consumers to save for retirement. First, the legislation makes it easier for consumers to engage in a tax-free rollover of an annuity to another employer-sponsored retirement plan or IRA and avoid surrender charges and fees, making these products more portable and providing consumers more flexibility. Second, the bill would encourage plan participants to think in terms of lifetime income by requiring benefit statements to break down the total account balance into estimates of monthly annuity income at least once a year. Third, the legislation makes it easier for ERISA plan sponsors to select companies to offer annuity products by creating a safe harbor that relies on the conservative solvency regime of the state insurance regulatory system, which is specifically designed to ensure that an insurance company's obligations will be met both today and many years into the future.

We applaud your leadership in this effort to assist savers in making more-informed decisions to prepare for their retirement and allowing defined contribution plans to become a more effective vehicle for providing lifetime income.

Sincerely,

ERIC A. CIOPPA,
NAIC President, Superintendent,
Maine Bureau of Insurance.

DAVID ALTMAYER,
NAIC Vice President,
Commissioner, Florida Office of
Insurance Regulation.

MICHAEL F. CONSEDINE,
Chief Executive Officer,
National Association of Insurance
Commissioners.

RAYMOND G. FARMER,
NAIC President-Elect,
Director, South Carolina Department
of Insurance.

DEAN L. CAMERON,
NAIC Secretary-Treasurer,
Director, Idaho Department of
Insurance.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND), who was very instrumental in provisions which will help small businesses sponsor retirement plans, including multiple-employer plans.

Mr. KIND. Madam Speaker, I thank the gentleman for yielding.

I rise in strong support of the SECURE Act. This legislation is meant to address one of the great gaps we have in retirement savings: employees in small businesses, primarily affecting women, minorities, and young adults.

I want to thank the chairman and the ranking member for their leadership on the issue. I want to thank my good friend MIKE KELLY for partnering with me throughout this process, along with former colleagues Dave Reichert and Pat Tiberi, with whom I had a chance to work on this issue in particular.

I also want to thank the Representative in the chair today, Representative ELAINE LURIA, our commander. She is the one who introduced the Gold Star fix. It was a mistake that was made in the Tax Code that adversely affects survivor benefits for children of our fallen soldiers.

It also fixes distributions to Native American children and to students who receive scholarships and grants. I thank her for her leadership on it.

This is a good, bipartisan, bicameral piece of legislation. I encourage my colleagues to support it.

Mr. BRADY. Madam Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. SMITH).

Mr. SMITH of Nebraska. Madam Speaker, I do want to say that I plan to vote for this bill. I support the improvements it makes to savings and retirement, which have gained bipartisan approval, both in the Senate and here in the House.

In particular, I appreciate hearing from agricultural cooperatives across Nebraska's Third District about the importance to them of the language in this bill reducing PBGC premiums for nonprofits.

I am also incredibly pleased we are moving quickly to address the Gold Star families tax issue and hope we can complete work on that problem as quickly—if not more quickly—as the rest of the provisions in this bill.

I do have reservations and concerns about the process which got us here and some provisions which are no longer in the bill.

As we know, the bill was marked up in the Ways and Means Committee on April 2. We reported it out unanimously, a very bipartisan effort. It was moved out of committee by a voice vote.

Prior to the markup, there were no concerns raised about the provisions in the bill, provisions that would help families pay for the education of their children, whether in home school or public school. As we know, many expenses come up for various reasons.

It is unfortunate that that took place, and I know that this wasn't the first time. Actually, it was the second time in 2 weeks that we are here considering legislation that was a product of bipartisan agreement in committee, but it was altered before it came to the House. It is very unfortunate.

And as I said at the beginning, I am going to support this bill. It has many good provisions, but I hope that we can avoid similar situations from undermining the committee process, undermining the integrity of the committee system that we have that empowers in-

dividual Members to work together with colleagues on a bipartisan basis. Let's not undermine that.

Again, I will vote for this bill. It could have been a better bill, and I hope next time we can address the shortcomings, moving forward.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER), chairman of the Trade Subcommittee.

Mr. BLUMENAUER. Madam Speaker, I appreciate the gentleman's courtesy, and I appreciate his moving forward on the issue of retirement security, for which he has been a tireless champion.

We are facing a retirement crisis in this country. Nearly half of households headed by someone 55 or older lack retirement savings. One of the many reasons they are not saving enough is lack of access to retirement plans. This bill moves in that direction.

I appreciate it is going to increase access to employer retirement plans for people who work in small business and part-time workers.

Of particular interest to me is a provision in this bill that fixes a quirk in the current law that prevents many home care workers from participating in a 401(k) or saving with an individual retirement account, an IRA.

I heard directly from home healthcare workers in Oregon about this problem. I am pleased, working with the committee, we have been able to fix this quirk moving forward. I anticipate this is one of many bills that will be moving forward dealing with retirement security in America, and I look forward to that progress.

Mr. BRADY. Madam Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. WALBERG), who has worked on retirement and pension issues for many years.

Mr. WALBERG. Madam Speaker, I thank my friend from Texas for yielding, and I thank him for his work.

Madam Chairman, I rise today in support of H.R. 1994, the Setting Every Community Up for Retirement Enhancement Act.

I would like to thank Chairman NEAL and Ranking Member BRADY for their leadership on this important piece of legislation.

For families in my district, putting away enough money for retirement is a constant struggle. Now more than ever, we need policies that empower workers to save more and save earlier for retirement.

I am pleased this legislation includes a provision I coauthored with my colleague from Delaware (Ms. BLUNT ROCHESTER). Our bipartisan provision clarifies rules surrounding annuity plans, making it possible for more employers to provide guaranteed lifetime income products as part of their benefits package. Our goal is to remove barriers to saving and give workers a variety of tools so they can choose what option best fits their needs.

Madam Speaker, we have a retirement income crisis in this country, and

the SECURE Act will help more Americans retire with dignity and piece of mind. I urge its passage today.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentlewoman from Washington (Ms. DELBENE), who was very instrumental in the provisions providing pension funding relief for community newspapers and home healthcare workers as they attempt to maintain their retirement plans.

Ms. DELBENE. Madam Speaker, I thank the chairman for yielding.

I rise today in support of the SECURE Act. It is time that we address the retirement crisis in our country.

The SECURE Act takes several important steps to make it easier for Americans to save for retirement, and one important example is helping provide retirement benefit opportunities to home care workers.

Home care workers provide critical services for the elderly and disabled. Their service is vital to ensure that patients under their care lead a dignified life, and it is only right that they are able to have a secure retirement.

The SECURE Act fixes a tax inequity that unintentionally prohibits many home care workers from participating in a 401(k) or contributing to an IRA.

If we do not pass the SECURE Act, between 15,000 and 30,000 workers in my home State of Washington could be kicked out of their defined contribution plan. With passage of the SECURE Act, home care workers will rightfully have the same opportunity to save for retirement as other workers.

I urge my colleagues to vote "yes."

Mr. BRADY. Madam Speaker, I yield 2 minutes to the gentlewoman from Missouri (Mrs. WAGNER), a leader who has worked for working moms and our veterans.

Mrs. WAGNER. Madam Speaker, I thank my friend from Texas (Mr. BRADY) for yielding me the time.

Madam Speaker, I rise today in support of the SECURE Act.

Over the last two decades, we have made progress in helping Americans save more for their retirement. U.S. retirement savings have increased from \$11 trillion in 2001 to \$28 trillion today. But we need to do more, especially in this booming economy.

This legislation will increase the number of workers with access to retirement plans, encourage higher savings rates, and enable older working adults to save for a secure retirement.

The SECURE Act is a commonsense, private-sector solution enabling Americans to save more for their retirement by expanding access for workers who choose to participate in a workplace plan. It simultaneously preserves employer choice and competition.

The SECURE Act has the added benefit of lowering taxes for our Gold Star families. Providing more for the relatives and the children of U.S. military members who gave their lives to secure our freedom and liberty is most fitting on the eve of our Memorial Day weekend.

I urge my colleagues to vote in favor of this legislation today.

Mr. NEAL. Madam Speaker, I yield 1½ minutes to the gentlewoman from Wisconsin (Ms. MOORE), who was a leader on the kiddie tax issue addressing Tribal distributions.

Ms. MOORE. Madam Speaker, I thank the chairman for his leadership and for moving this bipartisan legislation forward. This is really a necessary step to ensuring that more Americans can save for retirement.

I also commend the chairman for his swift action to redress the harsh tax rate and unintended consequences caused by the Tax Cuts and Jobs Act of 2017 on Gold Star families, low-income children, and young adults who receive payments from Tribal governments.

Our special tax rules on unearned income of children and young adults to prevent wealthy families from engaging in tax planning to artificially lower their tax burden, of course, is not relevant to these payments made to Gold Star families, survivor benefits, and Tribal children.

The 2017 rate repeal only partially addressed an underlying problem where additional legislation is required relative to Tribal youth. Mr. ESTES and I introduced bipartisan legislation, H.R. 2018, to fix the underlying problem of the kiddie tax on taxable disbursements made by Tribal governments.

So, Madam Speaker, I ask the chairman to tell Members of this Chamber and the Tribes who are watching closely throughout the country what his intentions are relative to the underlying problem with the kiddie tax.

Mr. NEAL. Will the gentlewoman yield?

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

Mr. NEAL. Madam Chair, I yield myself 30 seconds.

I want to thank the gentlewoman from Wisconsin (Ms. MOORE) for her support of the bill before us and her leadership on addressing the unfair tax that has plagued Tribes making taxable distributions to their children and young adults.

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The kiddie tax was enacted to prevent wealthy families from shifting family income to minor children.

The rationale for this new law does not apply to funds distributed by Indian Tribal governments because Indian Tribes are not taxable entities and their distributions could never be intended for the purpose of a tax deduction.

The Ways and Means Committee will work to address this problem, with the goal of excluding such Tribal government distributions from the kiddie tax provisions.

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

Mr. NEAL. Madam Speaker, I yield 15 seconds to the gentlewoman from Wisconsin (Ms. MOORE).

Ms. MOORE. Madam Speaker, this is a first step toward meeting our trust

obligations to the sovereign first people of this country.

I thank the chairman for yielding.

Mr. BRADY. Madam Speaker, I yield myself 30 seconds.

Madam Speaker, I want to recognize those who worked in a bipartisan way to address the Gold Star issue: Representatives BACON, DIAZ-BALART, HERRERA BEUTLER, HOLDING, MARCHANT, WAGNER, WALTZ, and WENSTRUP.

Madam Speaker, I reserve the balance of my time.

Mr. NEAL. Madam Speaker, how much time is remaining on both sides?

The SPEAKER pro tempore. The gentleman from Massachusetts has 14¾ minutes remaining. The gentleman from Texas has 6¾ minutes remaining.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Illinois (Mr. SCHNEIDER), who is very knowledgeable about retirement issues.

Mr. SCHNEIDER. Madam Speaker, I rise in strong support of the SECURE Act.

A secure and dignified retirement is a critical part of the American Dream, but for too many seniors, this aspiration is falling increasingly out of reach.

I am pleased that this House is taking action today in response. Our bill will help more Americans save for retirement by allowing workers to participate in 401(k) plans.

Additionally, the legislation makes it easier for small businesses to offer retirement plans to their employees and help small businesses set up automatic enrollment programs. It replaces antiquated barriers slowing the adoption of multiemployer plans and improves the quality of service providers.

The AARP estimates that these changes will lead to more than 700,000 new retirement accounts.

Finally, as we approach Memorial Day and reflect on the ultimate sacrifice made by fallen servicemembers and their families, I am pleased this legislation fixes a provision in the 2017 Republican tax law that increased taxes on survivor benefits paid by families. Our Gold Star families already deal with the unimaginable loss of a loved one; they should not also be facing a tax increase.

Madam Speaker, I am so proud this legislation was a bipartisan effort in the Ways and Means Committee, and I urge my colleagues to support this important bill to improve retirement security.

Mr. BRADY. Madam Speaker, I reserve the balance of my time.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from New York (Mr. SUOZZI).

Mr. SUOZZI. Madam Speaker, there is a retirement crisis in America today. Working men and women simply just don't have enough money in retirement savings.

I rise today to advocate for the bipartisan SECURE Act, which will: one, help small businesses provide retirement plans that include automatic en-

rollment by giving those businesses an opportunity to pool together and by offering them a tax credit to help pay for startup costs; and, two, provide 401(k)s for the rising number of part-time workers and independent contractors in the new tech economy that can be portable from their current jobs to the next ones.

Since the 1980s, the American economy has grown dramatically. Since 1983, the Dow Jones has gone up 1,200 percent and the GDP has gone up 600 percent, yet the wages of the American people have gone up less than 20 percent. No longer is hard work a guarantee of achieving the American Dream.

Every American, whether liberal or conservative, believes that if you are willing to work 40 or 50 hours a week and 50 weeks a year that you should be able to have a decent place to live, to educate your children, to have health insurance, and to retire one day without being scared. That is simply not happening.

The SECURE Act will help make retirement security a reality for millions of Americans.

Mr. BRADY. Madam Speaker, I yield 2 minutes to the gentleman from Florida (Mr. WALTZ), a veteran, a Green Beret, and a new Member of Congress.

Mr. WALTZ. Madam Speaker, as a combat veteran and as a Green Beret, this is personal for me. I know firsthand the seriousness of the call to serve our country, and I know that when soldiers take their place on the battlefield, they are prepared to defend America and lose their lives for our freedom.

The families of our servicemembers wait for their loved one's safe return nervously and anxiously await hearing their voice and feeling the comfort of their warm embrace once more. Unfortunately, for some, the knock on their door instead initiates them into a fraternity no family wants to join. That knock changes them forever and makes them part of the Gold Star family.

When our servicemembers pass, many of their spouses put their benefits in their children's name. As if the loss of a mother or a father isn't and wasn't painful enough, some of our Gold Star children's pain is worsened by an unintended oversight in our Tax Code which forces them to pay thousands in additional taxes on survivor benefits and raises their tax liability from 12 percent to nearly 40 percent.

This is not just a financial issue; it is a strategic issue for our Volunteer military. It affects recruitment and retention. Some people may not want to volunteer with the possibility of a large financial burden on their loved one if the worst happens.

The bottom line is, if our family support starts cracking, the entire foundation of our modern military is in trouble. We have an opportunity today to right this wrong and to fix this with the Gold Star Family Tax Relief Act, which is being included in the SECURE Act that is up for today's vote.

I would thank Chairman NEAL and Ranking Member BRADY for quickly recognizing this issue and for including this measure in the final bill.

Today, I call upon my colleagues in the House to make this right. I hope that Members will join me in supporting the passage of this legislation to show our country's appreciation to the Gold Star families for laying so costly a sacrifice upon the altar of freedom.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Virginia (Mr. BEYER) and thank the gentleman for his valuable work on the kiddie tax issue that affects the children of fallen first responders.

Mr. BEYER. Madam Speaker, I rise in strong support of H.R. 1994.

I would like to begin by thanking Chairman NEAL, my friend RON KIND, and all of the good folks and committee staff for their hard work on this bill.

The 2017 Republican tax law was passed despite being littered with errors, unintended consequences, and just straight-up bad ideas.

One of the most unjustifiable and immediately painful provisions of the bill was the unintended consequence of this change to the kiddie tax, which resulted in massive tax increases for the surviving children of servicemembers, first responders, as well as for scholarship recipients and other minors. The SECURE Act repeals that provision.

These populations deserve our sympathy and support. I can only hope that this was a stunning oversight.

Since the harms of this provision came to light during tax filings, many Members, including myself, heard from constituents whose families were subject to these unjust and shocking bills.

Several bills have been introduced to address these tax issues for various impacted groups, including my bill, H.R. 2840, which exempted the survivors of first responders. It is a strong, positive bill, and I encourage my colleagues to vote "yes."

Mr. BRADY. Madam Speaker, I am very proud to yield 1 minute to the gentleman from California (Mr. MCCARTHY), the leader for Republicans of the U.S. House of Representatives.

Mr. MCCARTHY. Madam Speaker, I thank the gentleman for yielding.

Before I begin, I want to thank both sides. I want to thank the chairman and I want to thank the ranking member, not for the bill that is on the floor today but for the bill that was put out of committee.

When we look across the country, we see division. Very seldom can we ever find a bill that gets every Democrat's and every Republican's support, but that is what we look for, that committees can work together.

The whole reason bills go through committees before they come to the floor is this is where the expertise is, this is where the debates happen, this is where it is combined together.

But now I want to apologize to the chairman. I don't know what the gen-

tleman's leadership did or why. But why would they change the moment that we have for the country to see something that they haven't seen in a while? Why would they do something that a chairman and a ranking member and every member on that committee, regardless of where they come from across this country, regardless of party, agreed to?

Special interest has power. Special interest is more powerful than the members who are in that committee with the expertise. Special interest is more powerful than Members of Congress finding common ground. Special interest is more powerful with the leadership on the other side.

They should not treat their Members this way. They should not treat America this way.

So let's talk about this bill. Because what it really goes to is, how powerful is this special interest, and who are they hurting?

Many parents choose to use a 529 savings account to help them save money for their children's education. We all agree on each side of the aisle that the most important thing that happens when you have a child is the opportunity that they will have. It is no longer about what you will become; it is what your children's opportunities will be.

We all agree that education is the great equalizer. It doesn't matter where a person grows up or what side of the street they live on, but education will give everybody that opportunity.

As a Republican leader, when I watched this committee work, I was proud. I was proud of both sides. I was proud that they were able to come together. And where they came together was on 529 accounts. These plans allow them to invest in a tax-free account, incur interest, and spend it on educational expenses like tuition.

For many years, these accounts only applied to college-related expenses, but, today, thanks to the Republican-led tax reform law in 2017, families can now use those funds to pay K-12 costs too.

Because why would we want to hurt somebody? Maybe they were in a bad school district or have other reasons. We want everybody in America to have that opportunity. That was a big win for all families—Republican, Democrat, Green Party, didn't matter.

Under current law, 529 savings accounts cannot be used for K-12 book costs, tutoring expenses for when kids fall behind and we want them to be able to catch up, fees for college admission exams—anybody that has a child at that age knows how much is spent on all of the exams—or to pay for educational therapy for students with disabilities.

Wouldn't everybody want to help that child with disabilities? I believe so. The action of the committee proved that. Every Democrat in the committee said that, and every member on the Republican side said that. I was proud of that.

But, unfortunately, special interest has more power. This is why, to me, I have real concerns on this bill. The official bill report is fantastic, what came out of committee. But when it got to the Democrat leadership, I guess they had different plans.

Now, I shouldn't be shocked, because I was sitting in this well last week with the same dilemma. Another committee, Energy and Commerce, was dealing with a really important issue, much like what we are dealing with today, prescription drugs. And what happened was that both sides agreed on how to make prescription drug prices lower and give Americans more options, and they all voted for it. But it went right through that leadership, Madam Speaker, on the other side, and special interest won again. They put a poison pill in, so that will never become law.

Madam Speaker, because special interest pressured this leadership to change this bill, it says something. To me, it says three things very clearly.

It seems to me that the Democratic leadership is not the same Democratic leadership that I knew in the past. There are people on the other side of the aisle who call themselves Socialist Democrats. It seems to me that they want institutions, not individuals, to be focused on education funding. They want partisan interests, not parents, to decide how children learn. And they want the Federal Government, not families, to have control over their money.

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But that is not what the American people want. The American people want exactly what happened in that committee, exactly the power that brought all the Republicans and all the Democrats together. They don't want special interests to continue to run this House.

The committee proved they could stand up. Whom did they stand up for? Those who need it the most: the parents of children with disabilities, leveling the playing field so every child has an opportunity when it comes to education.

Of all the issues that could divide us, Madam Speaker, I don't understand why the leadership did that to the Ways and Means Committee. I don't think that is right for the work that the chairman and the ranking member put in. We deserve better. We displayed that we could be better. Unfortunately, special interests won over the parents, and that is wrong.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Michigan (Mr. KILDEE).

Mr. KILDEE. Madam Speaker, I thank the chairman for yielding and for his leadership on bringing this important legislation to the floor.

Let's say what this bill really does. It provides Americans who work hard access to retirement with dignity and respect. It allows workers who don't have

access to retirement accounts—including home healthcare workers, part-time workers, as well as multiple employers—to have access to retirement accounts.

The SECURE Act fixes this. This is an important step forward in providing much-needed retirement security for so many Americans. It encourages small employers to develop 401(k) plans. It helps build our workforce by allowing apprentices access to college savings accounts to cover the cost of purchasing equipment necessary for their training for their chosen trade. This is a big step forward for those workers.

Finally, Madam Speaker, I appreciate the fact that this bill also addresses some of the many oversights of the 2017 Republican tax bill, including addressing how children are taxed, especially Tribal children.

This is a good bill, and I support it.

Mr. BRADY. Madam Speaker, I am prepared to close, and I reserve the balance of my time.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentlewoman from Florida (Mrs. MURPHY), who was instrumental on a provision allowing long-term, part-time workers to participate in 401(k) plans.

Mrs. MURPHY. Madam Speaker, if you spend your life working hard, then you should have the dignity of a secure retirement. That is why I rise today in strong support for the SECURE Act, a bipartisan bill that will help more Americans retire with dignity and with a higher quality of life. It allows older Americans to continue to invest more and for longer in their traditional IRAs so that they can get a greater ROI on their hard-earned money.

It also contains a provision I authored requiring employers to allow long-term, part-time employees to participate in a company's 401(k) plan. This change will especially help women, as women are more likely than men to be long-term, part-time workers.

Finally, the SECURE Act fixes a mistake the Republicans made last Congress when they rammed through their partisan tax giveaway to corporations and the wealthy. In doing so, they inadvertently raised taxes on Gold Star children and families.

As we fix this problem today, I hope this body remembers that process matters and that a bad process leads to unintended consequences that hurt everyday Americans. I am glad that we can undo some of that damage today.

Madam Speaker, I urge my colleagues to support the SECURE Act, which is a good piece of bipartisan legislation that helps countless American families.

Mr. BRADY. I reserve the balance of my time, Madam Speaker.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Connecticut (Mr. LARSON), who was very instrumental on a provision related to benefits to volunteer firefighters and emergency medical responders.

Mr. LARSON of Connecticut. Madam Speaker, I rise today to support the SECURE Act and commend Chairman NEAL and Republican Leader BRADY for the outstanding work on this, as well as our colleagues RON KIND and MIKE KELLY. I also would like to single out Dave Reichert, who is no longer here, and myself for the work that was done with regard to volunteers.

The provisions of this bill in terms of aid and assistance to rank-and-file citizens are legendary—and I thank Mr. NEAL again for those efforts—but specifically for volunteer firefighters, for EMTs, and for those who give selflessly in an opportunity to serve their communities. For the meager amounts of uniforms and whatever they received in compensation, to have that taxed was an insult. So I am proud, again, to make sure that this piece of legislation included an opportunity for volunteers all across this country. Twenty-three communities in my State have volunteers.

I thank the chairman again for his leadership.

Mr. BRADY. Madam Speaker, I continue to reserve the balance of my time.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from Virginia (Mr. SCOTT). Chairman BOBBY SCOTT is responsible for a number of very important provisions in this legislation.

Mr. SCOTT of Virginia. Madam Speaker, I thank the gentleman for yielding.

I rise in support of the SECURE Act, a bipartisan proposal to address our Nation's retirement security crisis. Several of the bill's provisions are under the jurisdiction of the Committee on Education and Labor, and I would like to discuss two of them.

First, the SECURE Act makes it easier for small businesses to band together to form multiple employer plans. This is expected to increase workers' access to retirement savings programs with potentially lower cost investment options.

Second, the SECURE Act includes a carefully and narrowly tailored safe harbor for the selection of an annuity provider for 401(k) plans. This limited safe harbor is intended to ease employers' concerns about their fiduciary liability and to expand workers' access to annuities and other lifetime income options.

I thank Chairman NEAL and Ranking Member BRADY for their leadership, and I urge my colleagues to support the SECURE Act.

Mr. BRADY. Madam Speaker, I continue to reserve the balance of my time.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. MALINOWSKI).

Mr. MALINOWSKI. Madam Speaker, I rise today to express my strong support for the bipartisan SECURE Act. This bill will enable hundreds of thousands of working and middle-class Americans to retire with the dignity they deserve.

According to the AARP, 72 percent of New Jersey's workers say they are anxious about having enough money to live comfortably through retirement, and 86 percent of workers without access to a retirement savings account would take advantage of one if available.

Madam Speaker, 1.7 million people in New Jersey work for employers that do not provide access to a retirement plan. So this year, our State passed a law requiring businesses with 25 or more employees to participate in a retirement savings program. The SECURE Act will make it much easier for small- and medium-sized businesses in New Jersey to meet this requirement by allowing them to pool together to create multi-employer plans. It also expands access to retirement accounts for home healthcare workers, a rapidly growing sector of our economy.

Passing this bill today will go a long way toward helping Americans retire with peace of mind. I am grateful for the bipartisan support, and I urge my colleagues to back the bill.

Mr. BRADY. Madam Speaker, I continue to reserve the balance of my time.

Mr. NEAL. Madam Speaker, I yield 1 minute to the gentlewoman from Virginia (Mrs. LURIA) and thank her particularly for her critical leadership in preventing an unfair and unexpected tax burden from being imposed on the children of our fallen soldiers.

Mrs. LURIA. Madam Speaker, we are all in Congress because we see room for improvement in America, especially for our servicemembers, veterans, and our military families. As a 20-year Navy veteran myself, I know it is not just the brave men and women who fight for America, but also the families who support them every step of the way.

When Gold Star widows from Virginia Beach contacted me about how their tax bills jumped thousands of dollars as a result of the 2000 tax law, I knew I had to do something. That is why I took action to introduce the bipartisan Gold Star Family Tax Relief Act, which fixes the unintended tax hike that many Gold Star families experienced.

A number of families across our coastal Virginia district have shared their stories about how this tax law changed their lives. One woman, the widow of a Navy SEAL killed in Afghanistan, saw the taxes on her son's benefits rise by \$4,000 in 2018, another by \$6,000, and another by \$2,500.

What this tax bill did to Gold Star families was wrong, but I have been heartened to see so many of my colleagues join me in a bipartisan effort to right these wrongs. As of today, we have 155 cosponsors and received endorsements of 20 veterans service organizations.

The SPEAKER pro tempore (Ms. DEGETTE). The time of the gentlewoman has expired.

Mr. NEAL. Madam Speaker, I yield the gentleman from Virginia an additional 1 minute.

Mrs. LURIA. Madam Speaker, with this momentum, we can fix a problem for so many heroic families and ensure security for their benefits.

I include in the RECORD a letter signed by 20 veterans service organizations in support of the Gold Star family tax provisions included within the SECURE Act.

MAY 22, 2019.

Hon. ELAINE LURIA,
House of Representatives,
Washington, DC.

DEAR CONGRESSWOMAN LURIA: As leaders of the major veterans, military, and survivor organizations, we are pleased to offer our support for H.R. 2481, the Gold Star Family Tax Relief Act.

Surviving spouses of service members who die in the line of duty and military retirees who die from service-connected wounds, illnesses, or injuries are entitled to Dependency and Indemnity Compensation (DIC) benefits from the Department of Veterans Affairs. Survivors who paid into the Department of Defense Survivor Benefits Plan (SBP) have a dollar-for-dollar offset of their SBP benefits by the amount of DIC benefits. To avoid the SBP/DIC offset, surviving spouses often sign over SBP benefits to their children to ensure the family receives both earned benefits.

Due to a recent change in tax law, known as the "Kiddie Tax," Gold Star families who were formerly obligated to pay 12 to 15 percent in taxes on their earned benefits are now being taxed up to 37 percent, leaving them thousands of dollars in tax debt. This important bill would rightfully repeal the Kiddie Tax and reinstate military survivor benefits to the previous tax rate.

Thank you again for your leadership on this issue. We look forward to working with you and your staff to pass this important legislation immediately.

Sincerely,

Robert Wallace, Veterans of Foreign Wars of the United States; Bonnie Carroll, Tragedy Assistance Program for Survivors; Harriet Boyden, Gold Star Wives of America; Joseph R. Chenelly, AMVETS; Louis Celli, The American Legion; Joyce Wessel Raezer, National Military Family Association; Dana T. Atkins, Military Officers Association of America; Carl Blake, Paralyzed Veterans of America; Keith A. Reed, Air Force Sergeants Association; John Cho, AMSUS, the Society of Federal Health Professionals.

James T. Currie, Commissioned Officers Assn. of the US Public Health Service, Inc; Norman Rosenshein, Jewish War Veterans of the USA; Vincent Patton III, Non Commissioned Officers Assn. of the United States of America; Randy Reid, USCG Chief Petty Officers Assn.; Jeff J. Schloesser, Army Aviation Association of America; Christopher Cole, Association of the United States Navy; Carol Setteducato, Chief Warrant Officers Association of the US Coast Guard; Thomas "LPM" Howlett, Marine Corps Reserve Association; Kenneth Greenberg, The Retired Enlisted Association; Brian Dempsey, Wounded Warrior Project.

Mrs. LURIA. Madam Speaker, I urge all of my colleagues to vote for the SECURE Act and, in doing that, fix this tax problem that has impacted so many of our Gold Star families across the Commonwealth of Virginia and the country.

Mr. BRADY. Madam Speaker, I yield myself 30 seconds.

Madam Speaker, how sad it is that some are trying to make this a partisan, petty measure.

The truth is, in 2014, in an original draft of tax reform, this provision was included by the Joint Committee on Taxation to simplify the Tax Code and to stop tax loopholes. That draft was praised by my Democratic colleagues, by Mr. NEAL, Mr. KIND, and Mr. THOMPSON.

In over 5 years, no one spotted this unintended consequence. When it surfaced, Republicans and Democrats came together immediately and resolved to not just fix it but to make it retroactive.

Why make this a petty, partisan issue? Our Gold Star parents deserve better.

Madam Speaker, I reserve the balance of my time.

Mr. NEAL. Madam Speaker, I have no further speakers, and I am prepared to close. I reserve the balance of my time.

Mr. BRADY. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, I am proud that, last session, Republicans and Democrats came together to pass a retirement security bill not once but twice because we knew how important this was. I was chairman, and I was proud to help lead that effort.

This year, I am the proudest leader of the Republicans on the Ways and Means Committee to work with Chairman NEAL again to make it even better to try to help families save.

But I am disappointed in the process after it left the committee, through no fault of Chairman NEAL's.

Just 2 months ago, we heard Democratic lawmakers sit in that seat and say they will work to restore the people's faith that government works in the public's interest. They said they will pass laws and make sure our government acts in the best interests of the American people, not entrenched special interests.

It is unfortunate that every word there was stomped on this week by special interest groups that forced our Democratic friends to make changes to a bill that would help children and parents with costs associated with schools.

The Tax Cuts and Jobs Act allowed parents to save tax-free for schools from kindergarten through 12th grade, and these bipartisan reforms that were stripped from this bill would have allowed parents to use their education savings dollars for homeschooling and additional kindergarten through 12 expenses at public, private, and religious schools.

This is money the families could have used for books, online education material, tutoring, AP classes, university exams, and educational therapies for students, including for kids with disabilities.

Every parent blessed with a special needs child or one who struggles to keep up in school knows the constant

search to find the right learning tools, the effective therapies, and the trained tutors to help their challenged children learn.

Apparently, for our teachers' union, that was wrong. They moved effectively to block the ability of parents to help their kids, whether they are gifted, whether they have learning disabilities, whether they need that tutor, or whether a child is severely challenged, mentally and physically, and needs that help.

What do we have to fear from parents who want to help their kids and use their own dollars for it?

What would our Nation be if denied the genius of Steven Spielberg who overcame dyslexia as a child or CNN anchor Anderson Cooper whose parents hired a special instructor to help him overcome his learning disabilities?

Where would be without business leaders like Steve Jobs, Charles Schwab, Richard Branson, or Henry Ford, all with learning disabilities, all who have made amazing contributions to our country?

Blocking these provisions is not proeducation, and there is no way it is prochild.

□ 1030

It is beyond me how an education association can oppose parents using their own savings to help their child reach their highest potential. But I don't fault them. I fault the lawmakers who are beholden to them, who removed these provisions.

This bill deserves support, and I will strongly support it, but I am terribly disappointed.

Madam Speaker, I yield back the balance of my time.

Mr. NEAL. Madam Speaker, I yield myself the balance of my time.

As I close, I want to take a moment to celebrate this truly bipartisan process that brought this legislation to the floor today.

First, I want to thank the Democratic members and Republican members of the Committee on Ways and Means, and, in particular, I want to thank Mr. BRADY for his good work along the way.

I also want to acknowledge that there is more work to be done in the leadership space in terms of retirement savings, and I am hopeful that we will be able to do that as well.

Let me acknowledge Mr. ROE, Mrs. TRAHAN, Mrs. McMORRIS RODGERS, Ms. BLUNT ROCHESTER, Mr. WALBERG, Mr. KENNEDY, Mr. BANKS, Mr. POCAN, Mr. BUDD, Mrs. LURIA, and Mr. BACON.

Certainly, as I come down the home stretch in closing, I want to acknowledge much of the good work that has taken place by staff members on both sides as well. But let me cite on the Democratic side, if I could—this was a pretty big bill, and it required a team effort. The Democratic staff, including Kara Getz, Andrew Grossman, Beth Bell, Aruna Kalyanam, Mary Petrovic, and Lee Slater all did yeomen and

yeowomen’s work in making sure that we would get to this day.

Madam Speaker, I yield back the balance of my time.

Ms. JACKSON LEE. Madam Speaker, I rise to speak in support of the “Setting Every Community Up for Retirement Enhancement Act of 2019.”

H.R. 1994, the Setting Every Community Up for Retirement Enhancement (SECURE) Act helps Americans to save more for a secure retirement and delivering a urgently needed fix for Gold Star military families facing drastic tax hikes under the GOP tax scam.

This legislation:

Makes it easier for small businesses to offer retirement plans to their employees;

Ensures that hard-working home health care workers can receive retirement benefits; and, Eliminates the unexpected and unfair enormous tax increases caused by the GOP tax scam that were on the survivorship benefits of children in Gold Star military families already facing the extraordinary hardship of losing a loved one.

The spouses of our fallen heroes sometimes sign over earned benefits to their children to ensure the family receives all benefits.

This bill will help Gold Star Families who are being taxed unfairly by the Trump Tax Cut.

But because the new Republican tax law brought changes to how children’s assets are taxed, many Gold Star Families are required to pay thousands of additional dollars in taxes on survivor benefits—a crushing blow to families who have already given so much to our country.

Prior to the Trump Tax Cut Scam, money given by the military to the children of troops who died on duty were taxed at the same rate as their surviving parents.

But under Trump’s tax cuts the changes included in the December 2017 tax law overhaul, those benefits were instead treated the same as family estate transfers, which increased the tax rate from no more than 15 percent to up to 37 percent.

This change significantly raised the tax bills for many of those military families.

It is important to provide these needed changes to protect Gold Star Families, and I look forward to the additional changes that are under way to help others hurt by the inequity of the Trump tax hike for the very rich.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 389, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. Pursuant to clause 1(c) of rule XIX, further consideration of H.R. 1994 is postponed.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the unfinished business is the question on agreeing to the Speaker’s approval of the Journal, on which the yeas and nays were ordered.

The question is on the Speaker’s approval of the Journal.

The vote was taken by electronic device, and there were—yeas 223, nays 194, answered “present” 2, not voting 12, as follows:

[Roll No. 229]
YEAS—223

Adams	Gomez	Payne
Aguilar	Granger	Perlmutter
Allred	Green (TX)	Perry
Amodei	Grijalva	Phillips
Bacon	Grothman	Pingree
Banks	Haaland	Pocan
Barr	Hastings	Porter
Barragán	Hayes	Pressley
Bass	Heck	Price (NC)
Bergman	Higgins (NY)	Quigley
Beyer	Hill (CA)	Raskin
Bilirakis	Hollingsworth	Reed
Bishop (GA)	Hoyer	Reschenthaler
Blumenauer	Huffman	Rice (NY)
Blunt Rochester	Jayapal	Richmond
Bonamici	Johnson (GA)	Rodgers (WA)
Bost	Johnson (TX)	Roe, David P.
Boyle, Brendan	Jordan	Rose (NY)
F.	Joyce (OH)	Roybal-Allard
Brady	Joyce (PA)	Ruppersberger
Brindisi	Keating	Rush
Brown (MD)	Kelly (IL)	Rutherford
Bustos	Kelly (PA)	Ryan
Butterfield	Kennedy	Sánchez
Carbajal	Khanna	Sarbanes
Carson (IN)	Kildee	Scanlon
Carter (TX)	Kim	Schakowsky
Cartwright	King (IA)	Schiff
Case	Lamb	Schneider
Casten (IL)	Langevin	Schweikert
Cantor (FL)	Larsen (WA)	Scott (VA)
Castro (TX)	Larson (CT)	Scott, David
Chu, Judy	Lawrence	Serrano
Cicilline	Lawson (FL)	Sewell (AL)
Cisneros	Lee (CA)	Shalala
Clark (MA)	Lee (NV)	Sherman
Clarke (NY)	Levin (CA)	Simpson
Clay	Levin (MI)	Sires
Cleaver	Lewis	Smith (NJ)
Clyburn	Lieu, Ted	Smith (WA)
Cohen	Lipinski	Smucker
Connolly	Loebsock	Soto
Courtney	Lofgren	Speier
Cox (CA)	Lowenthal	Stanton
Crist	Lowe	Stefanik
Cummings	Luján	Steil
Curtis	Luria	Stevens
Davids (KS)	Lynch	Swalwell (CA)
Davidson (OH)	Malinowski	Takano
Davis (CA)	Maloney,	Taylor
Davis, Danny K.	Carolyn B.	Thompson (MS)
Dean	Marshall	Thornberry
DeGette	Matsui	Titus
DeLauro	McCarthy	Tlaib
DelBene	McClintock	Torres (CA)
Delgado	McCollum	Torres Small
Demings	McEachin	(NM)
DeSaulnier	McGovern	Trahan
Deutch	McNerney	Trone
Dingell	Meadows	Underwood
Doggett	Meeks	Vargas
Doyle, Michael	Meng	Veasey
F.	Moore	Vela
Engel	Morelle	Velázquez
Escobar	Moulton	Visclosky
Eshoo	Mucarsel-Powell	Wagner
Españat	Nadler	Waltz
Finkenauer	Napolitano	Wasserman
Fortenberry	Neal	Schultz
Foster	Neguse	Watkins
Frankel	Newhouse	Watson Coleman
Gabbard	Norcross	Webster (FL)
Gallego	Omar	Welch
Garamendi	Pallone	Wilson (FL)
García (IL)	Panetta	Wilson (SC)
García (TX)	Pascrell	Yarmuth

NAYS—194

Abraham	Brooks (AL)	Chabot
Aderholt	Brooks (IN)	Cheney
Allen	Brownley (CA)	Cline
Amash	Buchanan	Cloud
Arrington	Buck	Cole
Axne	Bucshon	Collins (NY)
Babin	Budd	Comer
Baird	Burchett	Conaway
Balderson	Burgess	Cook
Beatty	Byrne	Cooper
Bera	Calvert	Correa
Biggs	Cárdenas	Costa
Bishop (UT)	Carter (GA)	Craig

Crawford	Huizenga	Rice (SC)
Crenshaw	Hunter	Riggleman
Crow	Hurd (TX)	Roby
Cuellar	Johnson (OH)	Rogers (AL)
Cunningham	Johnson (SD)	Rogers (KY)
Davis, Rodney	Katko	Rooney (FL)
DesJarlais	Kelly (MS)	Rose, John W.
Diaz-Balart	Kilmer	Rouda
Duffy	Kind	Rouzer
Duncan	King (NY)	Roy
Dunn	Kirkpatrick	Ruiz
Emmer	Krishnamoorthi	Scalise
Estes	Kuster (NH)	Schrader
Evans	Kustoff (TN)	Schrier
Ferguson	LaHood	Scott, Austin
Fitzpatrick	LaMalfa	Sensenbrenner
Fleischmann	Lamborn	Sherrill
Fletcher	Latta	Shimkus
Flores	Lesko	Slotkin
Foxx (NC)	Long	Smith (MO)
Fudge	Loudermilk	Smith (NE)
Fulcher	Lucas	Spanberger
Gaetz	Luetkemeyer	Spano
Gallagher	Maloney, Sean	Steube
Gianforte	Marchant	Stewart
Gibbs	Massie	Suozyi
Golden	Mast	Thompson (CA)
Gonzalez (OH)	McAdams	Thompson (PA)
Gonzalez (TX)	McBath	Timmons
Gooden	McCaul	Tipton
Gotthaimer	McHenry	Turner
Graves (GA)	McKinley	Upton
Graves (LA)	Meuser	Van Drew
Graves (MO)	Miller	Walberg
Green (TN)	Mitchell	Walden
Griffith	Moolenaar	Walker
Guest	Mooney (WV)	Walorski
Guthrie	Mullin	Waters
Hagedorn	Murphy	Weber (TX)
Harder (CA)	Norman	Wenstrup
Harris	Nunes	Westerman
Hartzler	O’Halloran	Wexton
Hern, Kevin	Ocasio-Cortez	Wild
Hice (GA)	Olson	Williams
Higgins (LA)	Palazzo	Wittman
Hill (AR)	Palmer	Womack
Himes	Pappas	Woodall
Holding	Pence	Wright
Horn, Kendra S.	Peters	Yoho
Horsford	Peterson	Young
Houlahan	Posey	Zeldin
Hudson	Ratcliffe	

ANSWERED “PRESENT”—2

DeFazio Tonko

NOT VOTING—12

Armstrong	Herrera Beutler	Kaptur
Collins (GA)	Jackson Lee	Kinzinger
Gohmert	Jeffries	Stauber
Gosar	Johnson (LA)	Stivers

□ 1104

Messrs. CROW, VAN DREW, and Ms. OCASIO-CORTEZ changed their vote from “yea” to “nay.”

Mses. ADAMS and TITUS changed their vote from “nay” to “yea.”

So the Journal was approved.

The result of the vote was announced as above recorded.

SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT OF 2019

The SPEAKER pro tempore. Pursuant to clause 1(c) of rule XIX, further consideration of the bill (H.R. 1994) to amend the Internal Revenue Code of 1986 to encourage retirement savings, and for other purposes, will now resume.

The Clerk read the title of the bill.

MOTION TO RECOMMIT

Mr. MCHENRY. Madam Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MCHENRY. Yes, in its current form.