

Union Calendar No. 340

119TH CONGRESS
1ST SESSION

H. R. 1013

[Report No. 119–390]

To amend the Federal securities laws to enhance 403(b) plans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 5, 2025

Mr. LUCAS (for himself, Mr. GOTTHEIMER, Mr. FOSTER, and Mr. BARR) introduced the following bill; which was referred to the Committee on Financial Services

NOVEMBER 28, 2025

Additional sponsors: Mr. MEUSER, Ms. PETTERSEN, Mr. NUNN of Iowa, Mr. MORELLE, Mr. PANETTA, Mr. SESSIONS, Ms. SEWELL, Mr. SUOZZI, Mr. NEGUSE, Mr. VINDMAN, Mr. HARDER of California, Mr. LAWLER, Mr. NORCROSS, Mr. DAVID SCOTT of Georgia, Ms. HOULAHAN, Ms. BYNUM, Mr. SCHNEIDER, Ms. MCBRIDE, Mr. DAVIS of North Carolina, Mr. HORSFORD, and Mr. COURTNEY

NOVEMBER 28, 2025

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on February 5, 2025]

A BILL

To amend the Federal securities laws to enhance 403(b)
plans, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Retirement Fairness for*
 5 *Charities and Educational Institutions Act of 2025”.*

6 **SEC. 2. ENHANCEMENT OF 403(b) PLANS.**

7 *(a) AMENDMENTS TO THE INVESTMENT COMPANY ACT*
 8 *OF 1940.—Section 3(c)(11) of the Investment Company Act*
 9 *of 1940 (15 U.S.C. 80a–3(c)(11)) is amended to read as*
 10 *follows:*

11 “(11) Any—

12 “(A) trust forming part of an employee’s
 13 stock bonus, pension, or profit-sharing plan
 14 which meets the requirements for qualification
 15 under section 401 of the Internal Revenue Code
 16 of 1986;

17 “(B) custodial account meeting the require-
 18 ments of section 403(b)(7) of such Code;

19 “(C) governmental plan described in section
 20 3(a)(2)(C) of the Securities Act of 1933 (15
 21 U.S.C. 77c(a)(2)(C));

22 “(D) collective trust fund maintained by a
 23 bank consisting solely of assets of one or more—

24 “(i) trusts described in subparagraph
 25 (A);

1 “(ii) governmental plans described in
2 subparagraph (C);

3 “(iii) church plans, companies, or ac-
4 counts that are excluded from the definition
5 of an investment company under paragraph
6 (14) of this subsection; or

7 “(iv) plans which meet the require-
8 ments of section 403(b) of the Internal Rev-
9 enue Code of 1986—

10 “(I) if—

11 “(aa) such plan is subject to
12 title I of the Employee Retirement
13 Income Security Act of 1974 (29
14 U.S.C. 1001 et seq.);

15 “(bb) any employer making
16 such plan available agrees to serve
17 as a fiduciary for the plan with
18 respect to the selection of the
19 plan’s investments among which
20 participants can choose; or

21 “(cc) such plan is a govern-
22 mental plan (as defined in section
23 414(d) of such Code); and

24 “(II) if the employer, a fiduciary
25 of the plan, or another person acting

1 on behalf of the employer reviews and
2 approves each investment alternative
3 offered under such plan described
4 under subclause (I)(cc) prior to the in-
5 vestment being offered to participants
6 in the plan; or

7 “(E) separate account the assets of which
8 are derived solely from—

9 “(i) contributions under pension or
10 profit-sharing plans which meet the require-
11 ments of section 401 of the Internal Revenue
12 Code of 1986 or the requirements for deduc-
13 tion of the employer’s contribution under
14 section 404(a)(2) of such Code;

15 “(ii) contributions under governmental
16 plans in connection with which interests,
17 participations, or securities are exempted
18 from the registration provisions of section 5
19 of the Securities Act of 1933 (15 U.S.C.
20 77e) by section 3(a)(2)(C) of such Act (15
21 U.S.C. 77c(a)(2)(C));

22 “(iii) advances made by an insurance
23 company in connection with the operation
24 of such separate account; and

1 “(iv) contributions to a plan described
 2 in clause (iii) or (iv) of subparagraph
 3 (D).”.

4 (b) *AMENDMENTS TO THE SECURITIES ACT OF*
 5 *1933.—Section 3(a)(2) of the Securities Act of 1933 (15*
 6 *U.S.C. 77c(a)(2)) is amended—*

7 (1) *by striking “beneficiaries, or (D)” and in-*
 8 *serting “beneficiaries, (D) a plan which meets the re-*
 9 *quirements of section 403(b) of such Code (i) if (I)*
 10 *such plan is subject to title I of the Employee Retirement*
 11 *Income Security Act of 1974 (29 U.S.C. 1001*
 12 *et seq.), (II) any employer making such plan avail-*
 13 *able agrees to serve as a fiduciary for the plan with*
 14 *respect to the selection of the plan’s investments*
 15 *among which participants can choose, or (III) such*
 16 *plan is a governmental plan (as defined in section*
 17 *414(d) of such Code), and (ii) if the employer, a fidu-*
 18 *ciary of the plan, or another person acting on behalf*
 19 *of the employer reviews and approves each investment*
 20 *alternative offered under any plan described under*
 21 *clause (i)(III) prior to the investment being offered to*
 22 *participants in the plan, or (E)”;*

23 (2) *by striking “(C), or (D)” and inserting “(C),*
 24 *(D), or (E)”;* and

1 (3) by striking “(iii) which is a plan funded”
 2 and all that follows through “retirement income ac-
 3 count).” and inserting “(iii) in the case of a plan not
 4 described in subparagraph (D) or (E), which is a
 5 plan funded by an annuity contract described in sec-
 6 tion 403(b) of such Code.”.

7 (c) *AMENDMENTS TO THE SECURITIES EXCHANGE ACT*
 8 *OF 1934.*—Section 3(a)(12)(C) of the Securities Exchange
 9 Act of 1934 (15 U.S.C. 78c(a)(12)(C)) is amended—

10 (1) by striking “or (iv)” and inserting “(iv) a
 11 plan which meets the requirements of section 403(b)
 12 of such Code (I) if (aa) such plan is subject to title
 13 I of the Employee Retirement Income Security Act of
 14 1974 (29 U.S.C. 1001 et seq.), (bb) any employer
 15 making such plan available agrees to serve as a fidu-
 16 ciary for the plan with respect to the selection of the
 17 plan’s investments among which participants can
 18 choose, or (cc) such plan is a governmental plan (as
 19 defined in section 414(d) of such Code), and (II) if
 20 the employer, a fiduciary of the plan, or another per-
 21 son acting on behalf of the employer reviews and ap-
 22 proves each investment alternative offered under any
 23 plan described under subclause (I)(cc) prior to the in-
 24 vestment being offered to participants in the plan, or
 25 (v)”;

1 (2) *by striking “(ii), or (iii)” and inserting*
2 *“(ii), (iii), or (iv)”*; and

3 (3) *by striking “(II) is a plan funded” and in-*
4 *serting “(II) in the case of a plan not described in*
5 *clause (iv), is a plan funded”*.

6 (d) *CONFORMING AMENDMENT TO THE SECURITIES*
7 *EXCHANGE ACT OF 1934.—Section 12(g)(2)(H) of the Secu-*
8 *rities Exchange Act of 1934 (15 U.S.C. 78l(g)(2)(H)) is*
9 *amended by striking “or (iii)” and inserting “(iii) a plan*
10 *described in section 3(a)(12)(C)(iv) of this Act, or (iv)”*.

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