

119TH CONGRESS
1ST SESSION

S. _____

To amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 with respect to minimum participation standards for pension plans and qualified trusts.

IN THE SENATE OF THE UNITED STATES

Mr. CASSIDY introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 with respect to minimum participation standards for pension plans and qualified trusts.

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 “Helping Young Ameri-
5 cans Save for Retirement Act”.

6 **SEC. 2. ELIGIBILITY AT AGE 18 UNDER CERTAIN CONDI-**
7 **TIONS.**

8 (a) ERISA.—

1 (1) AGE 18.—Subparagraphs (A) and (B) of
2 section 202(c)(1) of the Employee Retirement In-
3 come Security Act of 1974 (29 U.S.C. 1052(c)(1))
4 are amended to read as follows:

5 “(A) the period permitted under subsection
6 (a)(1), determined—

7 “(i) without regard to subparagraph
8 (B)(i) thereof; and

9 “(ii) by substituting ‘18’ for ‘21’ in
10 subparagraph (A)(i) thereof; or

11 “(B) the first 24-month period—

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

16 “(ii) by the close of which the em-
17 ployee has met the requirement of sub-
18 section (a)(1)(A)(i) (without regard to sub-
19 paragraph (A)(ii) of this paragraph).”.

20 (2) CONFORMING AMENDMENTS.—Section
21 202(c) of such Act (29 U.S.C. 1052(c)) is amend-
22 ed—

23 (A) in the subsection heading—

24 (i) by striking “SPECIAL RULE” and
25 inserting “SPECIAL RULES”; and

1 (ii) by adding “AND CERTAIN YOUNG-
2 ER EMPLOYEES” after “EMPLOYEES”; and
3 (B) in paragraph (3)—

4 (i) by striking “paragraph (1)(B)”
5 and inserting “paragraph (1)”; and

6 (ii) by striking “section
7 401(k)(2)(D)(ii)” and inserting “section
8 401(k)(2)(D)”.

9 (3) OPINION OF INDEPENDENT QUALIFIED
10 PUBLIC ACCOUNTANT.—Section 104(a)(2) of such
11 Act (29 U.S.C. 1024(a)(2)) is amended by adding at
12 the end the following:

13 “(C) For purposes of subparagraph (A) and the last
14 sentence of section 103(a)(3)(A), with respect to a pension
15 plan in which at least one employee participates solely by
16 reason of section 202(c)(1)(A), no employee participating
17 in such plan solely by reason of section 202(c)(1)(A) shall
18 be counted as a participant until the date that is 5 years
19 after the date on which the first such employee first be-
20 comes a participant in such plan.”.

21 (b) INTERNAL REVENUE CODE OF 1986.—

22 (1) AGE 18.—Clauses (i) and (ii) of section
23 401(k)(2)(D) of the Internal Revenue Code of 1986
24 are amended to read as follows:

1 “(i) the period permitted under sec-
2 tion 410(a)(1), determined—

3 “(I) without regard to subpara-
4 graph (B)(i) thereof, and

5 “(II) by substituting ‘18’ for ‘21’
6 in subparagraph (A)(i) thereof, or

7 “(ii) subject to the provisions of para-
8 graph (15), the first of 2 consecutive 12-
9 month periods during each of which the
10 employee has at least 500 hours of service,
11 provided that the employee has satisfied
12 the requirements of section 410(a)(1)(A)(i)
13 (without regard to clause (i)(II) of this
14 subparagraph).”.

15 (2) CONFORMING AMENDMENTS.—The Internal
16 Revenue Code of 1986 is amended—

17 (A) in section 401(k)(15)—

18 (i) in the paragraph heading, by add-
19 ing “AND CERTAIN YOUNGER WORKERS”
20 after “WORKERS”; and

21 (ii) in subparagraph (B)—

22 (I) in clauses (i) and (ii), by
23 striking “(2)(D)(ii)” each place it ap-
24 pears and inserting “(2)(D)”;

1 (II) in clause (i), by striking
2 “202(c)(1)(B)” and inserting
3 “202(c)(1)”; and

4 (III) in clause (iv), striking
5 “paragraph (2)(D)(ii)” and inserting
6 “clauses (i)(II) and (ii) of paragraph
7 (2)(D)”; and

8 (B) in section 403(b)(12)—

9 (i) in subparagraph (A), by striking
10 “section 202(c)” and inserting “section
11 202(c)(1)(B)”; and

12 (ii) in subparagraph (D)—

13 (I) in the subparagraph heading,
14 by inserting “AND CERTAIN YOUNGER
15 EMPLOYEES” after “EMPLOYEES”;
16 and

17 (II) in clause (i), by striking
18 “202(c)(1)(B)” and adding
19 “202(c)(1)”.

20 (c) APPLICATION.—The amendments made by this
21 section shall apply to plan years beginning on or after the
22 date that is 1 year after the date of enactment of this
23 Act.