HR 3640

Pension Protection and Diversification Act of 2002

Congress: 107 (2001–2003, Ended)
Chamber: House
Policy Area: Labor and Employment
Introduced: Jan 29, 2002
Current Status: Referred to the Subcommittee on Employer-Employee Relations.
Latest Action: Referred to the Subcommittee on Employer-Employee Relations. (May 9, 2002)
Official Text: https://www.congress.gov/bill/107th-congress/house-bill/3640

Sponsor

Name: Rep. Pascrell, Bill, Jr. [D-NJ-8]
Party: Democratic • **State:** NJ • **Chamber:** House

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Baldacci, John Elias [D-ME-2]	D · ME		Feb 12, 2002
Rep. McDermott, Jim [D-WA-7]	D · WA		Feb 12, 2002
Rep. Payne, Donald M. [D-NJ-10]	D · NJ		Mar 11, 2002

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred to	May 9, 2002
Ways and Means Committee	House	Referred To	Jan 30, 2002

Subjects & Policy Tags

Policy Area:

Labor and Employment

Related Bills

Bill	Relationship	Last Action
107 HR 3692	Identical bill	**May 9, 2002:** Referred to the Subcommittee on Employer-Employee Relations.
107 S 1838	Identical bill	**Dec 18, 2001:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

Summary (as of Jan 29, 2002)

Pension Protection and Diversification Act of 2002 - Amends the Employee Retirement Income Security Act of 1974 (ERISA) to: (1) limit to 20 percent the portion of funds which may be invested in the employer's stock and real property by an employee's individual account plans, including those which include cash or deferred arrangements under Internal Revenue Code section 401(k) and (2) allow an employee to direct the plan to divest the employee's account of such employer securities or property and to reinvest an equal amount in other assets, at any time after 90 days following allocation of employer securities or real property to the employee's individual account plan. Exempts employee stock ownership plans (ESOPS) from these new ERISA provisions.

Amends Internal Revenue Code to: (1) allow employees to diversify assets in ESOPS after five years, and after they've reached age 35 (but requires a trustee-to-trustee transfer for those under age 55); and (2) reduce by 50 percent the allowable deduction for employer matching contributions to defined contribution plans made in employer securities.

Actions Timeline

- **May 9, 2002:** Referred to the Subcommittee on Employer-Employee Relations.
- **Jan 29, 2002:** Introduced in House
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- **Jan 29, 2002:** Referred to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
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