

S 9

Pension Protection and Expansion Act of 2003

Congress: 108 (2003–2005, Ended)

Chamber: Senate

Policy Area: Labor and Employment

Introduced: Jan 7, 2003

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Jan 7, 2003)

Official Text: https://www.congress.gov/bill/108th-congress/senate-bill/9

Sponsor

Name: Sen. Daschle, Thomas A. [D-SD]

Party: Democratic • State: SD • Chamber: Senate

Cosponsors (12 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Bingaman, Jeff [D-NM]	D · NM		Jan 7, 2003
Sen. Clinton, Hillary Rodham [D-NY]	D · NY		Jan 7, 2003
Sen. Dayton, Mark [D-MN]	D · MN		Jan 7, 2003
Sen. Durbin, Richard J. [D-IL]	D · IL		Jan 7, 2003
Sen. Kennedy, Edward M. [D-MA]	D · MA		Jan 7, 2003
Sen. Mikulski, Barbara A. [D-MD]	D · MD		Jan 7, 2003
Sen. Murray, Patty [D-WA]	D · WA		Jan 7, 2003
Sen. Reid, Harry [D-NV]	D · NV		Jan 7, 2003
Sen. Rockefeller, John D., IV [D-WV]	D · WV		Jan 7, 2003
Sen. Schumer, Charles E. [D-NY]	D · NY		Jan 7, 2003
Sen. Dodd, Christopher J. [D-CT]	D · CT		Jan 9, 2003
Sen. Leahy, Patrick J. [D-VT]	D · VT		Jan 9, 2003

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Jan 7, 2003

Subjects & Policy Tags

Policy Area:

Labor and Employment

Related Bills

No related bills are listed.

Pension Protection and Expansion Act of 2003 - Amends the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code (IRC) to set forth requirements under defined contribution plans that are individual account plans (IAPs) (401(k) and similar plans) for: (1) diversification of plan assets, including employee freedom to invest plan assets and to divest employer securities or real property; (2) protection of plan participants and beneficiaries, through notice of blackout period, prohibition of relief from fiduciary liability during such periods of suspension of participants' and beneficiaries' ability to direct investments, liability for breach of fiduciary duty, increased maximum bond amount and insurance, and inclusion of participants in trusteeship of IAPs; and (3) information to assist and protect participants, including requirements for periodic pension benefit statements, investment education, provisions relating to whistleblower actions involving pension plans, and increased penalties for coercive interference.

Retirement Security for All Americans Act - Amends IRC to permit a tax credit for an applicable percentage of up to \$2,000 in retirement savings contributions of an individual. Repeals the nonrefundable credit for elective deferrals and individual retirement account contributions. Imposes a tax on any failure by an employer (except for certain small employers) that does not have a qualified plan or arrangement for a calendar year to permit its employees access to salary reduction contributions to individual retirement plans. Permits a tax credit for small employers that maintain salary reduction arrangements. Allows a tax credit for a duration of three years for pension plan contributions of small employers.

Women's Pension Protection Act of 2003 - Amends ERISA and IRC to require the spouse's consent for distributions from defined contribution plans (DCPs, which include individual account plans such as 401(k) plans). (Current law only requires such consent in the case of defined benefit plans). Applies joint and survivor annuity rules to DCPs. Provides for division of pension benefits upon divorce, including rules for treating: (1) subsequent qualified domestic relations orders; and (2) former spouses as surviving spouses in certain cases. Revises requirements for joint and survivor annuities. Requires pension plans to offer participants the option of a qualified joint and 3/4 survivor annuity. Amends Federal law relating to the Civil Service Retirement System (CSRS) to provide for a survivor annuity to widows, widowers, and certain former spouses of Federal employees who die after having separated from the service with title to a deferred annuity under CSRS, but before attaining the age for such annuity under it. Revises CSRS and Federal Employees Retirement System (FERS) requirements for court orders relating to Federal employee retirement benefits for former spouses. Amends the Railroad Retirement Act of 1974 to: (1) entitle divorced spouses to railroad retirement annuities independent of the actual entitlement of the employees; and (2) extend the payment of any portion of Tier II railroad retirement benefits to surviving former spouses pursuant to divorce agreements.

Sets forth provisions relating to: (1) an employee plans compliance resolution system; (2) extension to all governmental plans of a moratorium on application of certain nondiscrimination rules applicable to State and local plans; (3) missing participants; (4) a reduced Pension Benefit Guaranty Corporation (PBGC) premium for new plans of small employers; (5) substantial owner benefits in terminated plans; (6) voluntary early retirement incentive and employment retention plans maintained by local educational agencies and other entities; (7) automatic rollovers of certain mandatory distributions; (8) no reduction in unemployment compensation as a result of pension rollovers; (9) tax withholding on distributions from certain governmental plans; (10) transfer of pension plan liabilities upon dissolution of joint venture; and (11) plan amendments.

Amends IRC to provide revenue offsets through: (1) reversal of the expatriation of certain profits offshore, including setting rules for tax treatment of inverted corporate entities, imposing an excise tax on stock compensation of insiders in inverted corporations, and reinsuring U.S. risks in foreign jurisdictions; (2) revisions and penalties relating to tax shelters; and (3) executive compensation. Includes in gross income funded deferred compensation of corporate insiders.

## Actions Timeline

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- **Jan 7, 2003:** Introduced in Senate
- **Jan 7, 2003:** Sponsor introductory remarks on measure. (CR 1/9/2003 S134)
- **Jan 7, 2003:** Read twice and referred to the Committee on Finance.