

S 245

Automatic IRA Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Jan 22, 2015

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

Latest Action: Read twice and referred to the Committee on Finance. (Jan 22, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/245>

Sponsor

Name: Sen. Whitehouse, Sheldon [D-RI]

Party: Democratic • **State:** RI • **Chamber:** Senate

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Jan 22, 2015

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
114 HR 506	Identical bill	Oct 29, 2015: Referred to the Subcommittee on Health.

Automatic IRA Act of 2015

Amends the Internal Revenue Code to: (1) require certain employers who do not maintain qualifying retirement plans or arrangements to make available to their eligible employees a payroll deposit individual retirement account (IRA) arrangement (automatic IRA arrangement) which grants such employees the right to opt-out of participation; (2) require the Secretary of the Treasury to provide employers with a model notice for notifying employees of their opportunity to participate in an automatic IRA arrangement and to provide participants with an annual statement setting forth payments, earnings, value, and other specified information; (3) impose a penalty on employers who fail to provide eligible employees access to an automatic IRA arrangement; (4) allow employers who do not have more than 100 employees a tax credit for costs associated with establishing an automatic IRA arrangement; and (5) increase the dollar limitation on the tax credit for small employer pension plan startup costs.

Establishes an Automatic IRA Advisory Group to make recommendations regarding automatic IRA investment options

Requires the Secretary and the Secretary of Labor to jointly conduct feasibility studies on: (1) extending spousal consent requirements to automatic IRA arrangements; (2) automatically transferring amounts saved by employees in retirement bonds into alternative, private sector, diversified investments when employees' automatic IRA balances reach a certain dollar level; (3) using investment data to notify individuals with multiple small balance retirement accounts of consolidation options; and (4) using investment arrangements associated with automatic IRAs to assist in addressing the problem of abandoned accounts.

Directs the Secretaries to prescribe administrative guidance for the use of multiple employer plans by December 31, 2015.

Actions Timeline

- **Jan 22, 2015:** Introduced in Senate
- **Jan 22, 2015:** Read twice and referred to the Committee on Finance.