

S 2505

SAVERS Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Labor and Employment

Introduced: Feb 4, 2016

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

Latest Action: Read twice and referred to the Committee on Finance. (Feb 4, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/2505>

Sponsor

Name: Sen. Kirk, Mark Steven [R-IL]

Party: Republican • State: IL • Chamber: Senate

Cosponsors (16 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Ayotte, Kelly [R-NH]	R · NH		Feb 4, 2016
Sen. Blunt, Roy [R-MO]	R · MO		Feb 4, 2016
Sen. Cotton, Tom [R-AR]	R · AR		Feb 4, 2016
Sen. Isakson, Johnny [R-GA]	R · GA		Feb 4, 2016
Sen. Wicker, Roger F. [R-MS]	R · MS		Feb 4, 2016
Sen. Alexander, Lamar [R-TN]	R · TN		Feb 9, 2016
Sen. Enzi, Michael B. [R-WY]	R · WY		Feb 10, 2016
Sen. Inhofe, James M. [R-OK]	R · OK		Feb 23, 2016
Sen. Roberts, Pat [R-KS]	R · KS		Mar 7, 2016
Sen. Fischer, Deb [R-NE]	R · NE		Mar 8, 2016
Sen. Boozman, John [R-AR]	R · AR		Mar 17, 2016
Sen. Rounds, Mike [R-SD]	R · SD		Mar 17, 2016
Sen. Portman, Rob [R-OH]	R · OH		Apr 4, 2016
Sen. Perdue, David [R-GA]	R · GA		Apr 12, 2016
Sen. Cassidy, Bill [R-LA]	R · LA		Apr 13, 2016
Sen. Scott, Tim [R-SC]	R · SC		Apr 20, 2016

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Feb 4, 2016

Subjects & Policy Tags

Policy Area:

Labor and Employment

Related Bills

Bill	Relationship	Last Action
114 HR 4293	Related bill	Apr 20, 2016: Placed on the Union Calendar, Calendar No. 391.
114 HR 4294	Related bill	Apr 20, 2016: Placed on the Union Calendar, Calendar No. 392.
114 S 2502	Related bill	Feb 4, 2016: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

Summary (as of Feb 4, 2016)

Strengthening Access to Valuable Education and Retirement Support Act of 2016 or the SAVERS Act of 2016

This bill amends the Internal Revenue Code to exempt from the tax on prohibited transactions: (1) the provision of investment advice by a fiduciary to a pension plan, plan participant, or beneficiary which is a best interest recommendation; and (2) any transaction, including a contract for service, between an investment provider and the advice recipient if no more than reasonable compensation is paid for such investment advice and certain disclosures are made with respect to the cost of such advice.

For purposes of this bill, "investment advice" is a recommendation that relates to: (1) the advisability of acquiring, holding, disposing, or exchanging any moneys or other property of a pension plan (or Individual Retirement Account) by the plan, plan participants, or plan beneficiaries, including any recommendation regarding whether to take a distribution of benefits from the plan or any recommendation relating to a rollover or distribution from such plan; (2) the management of moneys or other property of the plan, including recommendations relating to the management of plan assets to be rolled over or otherwise distributed from the plan; or (3) the advisability of retaining or ceasing to retain a person who would receive a fee or other compensation for providing investment advice. Investment advice must be rendered pursuant to either: (1) a written acknowledgment that the person is a fiduciary with respect to the provision of the recommendation; or (2) a mutual agreement, arrangement, or understanding that may include limitations on scope, timing, and responsibility to provide ongoing monitoring or advice services.

The bill defines "best interest recommendation" as a recommendation: (1) for which no more than reasonable compensation is paid; (2) that is provided by a person acting with the care, skill, prudence, and diligence under the prevailing circumstances that a prudent person would exercise based on information obtained from an advice recipient; and (3) where the person giving such advice places the interests of the plan or advice recipient above the person's interests. A best interest recommendation may include a recommendation that is based on a limited range of investment options or may result in variable compensation to the person providing the recommendation.

The bill prohibits the Department of Labor from amending any rules or administrative positions regarding investment advice promulgated under the Employee Retirement Income Security Act of 1974 (ERISA), the prohibited transaction provisions of the Internal Revenue Code, or other Labor regulations, and no such rules or administrative positions promulgated prior to the enactment date of this Act, but not effective on January 1, 2015, may become effective unless a bill or joint resolution specifically approving such rules or positions is enacted not later than 60 days after the enactment of this Act.

Actions Timeline

- **Feb 4, 2016:** Introduced in Senate
- **Feb 4, 2016:** Read twice and referred to the Committee on Finance.