

## HR 4067

SAVE Act of 2015

**Congress:** 114 (2015–2017, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Nov 18, 2015

**Current Status:** Referred to the Subcommittee on Health, Employment, Labor, and Pensions.

**Latest Action:** Referred to the Subcommittee on Health, Employment, Labor, and Pensions. (Mar 23, 2016)

**Official Text:** <https://www.congress.gov/bill/114th-congress/house-bill/4067>

### Sponsor

**Name:** Rep. Kind, Ron [D-WI-3]

**Party:** Democratic • **State:** WI • **Chamber:** House

### Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Reichert, David G. [R-WA-8]	R · WA		Nov 18, 2015

### Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred to	Mar 23, 2016
Ways and Means Committee	House	Referred To	Nov 18, 2015

### Subjects & Policy Tags

#### Policy Area:

Taxation

### Related Bills

Bill	Relationship	Last Action
114 HR 2317	Related bill	Nov 16, 2015: Referred to the Subcommittee on Health, Employment, Labor, and Pensions.
114 S 1317	Related bill	May 13, 2015: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.
114 HR 557	Related bill	Apr 29, 2015: Referred to the Subcommittee on Health, Employment, Labor, and Pensions.
114 S 266	Related bill	Jan 27, 2015: Read twice and referred to the Committee on Finance.

## **Small Businesses Add Value for Employees Act of 2015 or the SAVE Act of 2015**

This bill amends the Internal Revenue Code, with respect to employer-established simple individual retirement accounts (IRAs) and pension plans, to:

- repeal restrictions on rollovers from simple IRAs to qualified retirement plans;
- allow employers to elect to terminate simple IRAs at any time during the year;
- repeal the increased 25% penalty on premature distributions from simple IRAs within the first two plan years;
- allow additional nonelective employer contributions to simple IRAs not exceeding 10% of compensation;
- establish automatic deferral IRAs to permit the automatic enrollment of employees earning at least \$5,000 in a preceding year;
- establish secure deferral arrangements for automatically enrolling employees at 6% of pay with annual increases;
- allow small employers a new tax credit for the cost of adopting safe harbor requirements for secure deferral arrangements;
- allow a transfer of unused benefits in a flexible spending arrangement to a qualified retirement or eligible deferred compensation plan;
- increase the tax credit for small employer pension plan startup costs; and
- establish multiple small employer retirement plans that provide for automatic employee contributions.

The bill requires: (1) the Department of the Treasury to promulgate regulations regarding the timing of notices to participants in automatic contribution pension plans; (2) the Office of Financial Education of Treasury to develop and implement an outreach plan to educate small businesses on the types and benefits of available retirement plans; (3) Treasury and the Department of Labor to develop recommendations for small businesses to improve retirement outcomes; and (4) Treasury, in consultation with the Department of Education, to develop age-appropriate financial literacy curricula for elementary and secondary schools.

The bill amends the Employee Retirement Income Security Act of 1974 (ERISA) to: (1) exempt IRAs that permit payroll deductions from additional pension plan requirements, (2) require disclosures relating to lifetime income from pension plans and annuities, and (3) set forth safe harbor criteria for the selection of an annuity contract and an insurer.

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### **Actions Timeline**

- **Mar 23, 2016:** Referred to the Subcommittee on Health, Employment, Labor, and Pensions.
- **Nov 18, 2015:** Introduced in House
- **Nov 18, 2015:** 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.