

HR 506

Automatic IRA Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Jan 22, 2015

Current Status: Referred to the Subcommittee on Health.

Latest Action: Referred to the Subcommittee on Health. (Oct 29, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/506>

Sponsor

Name: Rep. Neal, Richard E. [D-MA-1]

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

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Crowley, Joseph [D-NY-14]	D · NY		Jul 21, 2015

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred to	Apr 29, 2015
Ways and Means Committee	House	Referred to	Oct 29, 2015

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
114 S 245	Identical bill	Jan 22, 2015: Read twice and referred to the Committee on Finance.

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

- **Oct 29, 2015:** Referred to the Subcommittee on Health.
- **Apr 29, 2015:** Referred to the Subcommittee on Health, Employment, Labor, and Pensions.
- **Jan 22, 2015:** Introduced in House
- **Jan 22, 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.