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115TH CONGRESS
1ST SESSION

# H. R. 4158

To increase the amount of accrued benefit which a pension plan may distribute without consent.

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IN THE HOUSE OF REPRESENTATIVES

OCTOBER 26, 2017

Mr. WALBERG (for himself and Mr. SABLAN) introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, 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

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# A BILL

To increase the amount of accrued benefit which a pension plan may distribute without consent.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Retirement Plan Modernization Act''.

**SEC. 2. INCREASE IN AMOUNT OF ACCRUED BENEFIT WHICH A PENSION PLAN MAY DISTRIBUTE WITHOUT CONSENT.**

(a) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—Section 411(a)(11)(A) of the Internal Revenue Code of 1986 is amended by striking "$5,000" and inserting "$7,600".

(2) INFLATION ADJUSTMENT.—Section 411(a)(11) of such Code is amended by adding at the end the following new subparagraph:

"(E) INFLATION ADJUSTMENT.—In the case of any plan year beginning after 2018, the Secretary shall adjust the $7,600 amount in subparagraph (A) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2017, and any increase under this subparagraph which is not a multiple of $50 shall be rounded to the next lowest multiple of $50.".

(3) CONFORMING AMENDMENTS.—

(A) Section 401(a)(31)(B)(ii) of such Code is amended by striking "$5,000" and inserting "the dollar limit in effect under section 411(a)(11)(A)".

(B) Section 411(a)(7)(B)(i) of such Code is amended by striking "under section 411(a)(11)(A)" and inserting "in effect under paragraph (11)(A)".

(C) Section 457(e)(9)(A)(i) of such Code is amended by inserting "in effect" after "the dollar limit".

(b) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Section 203(e)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(e)(1)) is amended by striking "$5,000" and inserting "$7,600".

(2) INFLATION ADJUSTMENT.—Section 203(e) of such Act (29 U.S.C. 1053(e)) is amended by adding at the end the following new paragraph:

"(5) In the case of any plan year beginning after 2018, the Secretary of the Treasury shall adjust the $7,600 amount in paragraph (1) at the same time and in the same manner as under section 415(d) of the Internal Revenue Code of 1986, except that the base period shall be the calendar quarter beginning July 1, 2017, and any increase under this paragraph which is not a multiple of $50 shall be rounded to the next lowest multiple of $50.".

(3) CONFORMING AMENDMENT.—Section 204(d)(1) of such Act (29 U.S.C. 1054(d)(1)) is amended by inserting ''in effect'' after ''the dollar limit''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after the date of the enactment of this Act.

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