

Union Calendar No. 383

119TH CONGRESS
2^D SESSION

H. R. 5169

[Report No. 119-448]

To amend the Employee Retirement Income Security Act of 1974 to provide a clear definition of adequate consideration for certain closely held stock, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 8, 2025

Mr. ALLEN introduced the following bill; which was referred to the Committee on Education and Workforce

JANUARY 14, 2026

Additional sponsors: Mr. EDWARDS, Mr. MESSMER, Mrs. MCBATH, and Mr. BAUMGARTNER

JANUARY 14, 2026

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on September 8, 2025]

A BILL

To amend the Employee Retirement Income Security Act of 1974 to provide a clear definition of adequate consideration for certain closely held stock, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Retire through Owner-*
 5 *ship Act”.*

6 **SEC. 2. AMENDING ADEQUATE CONSIDERATION DEFINI-**
 7 **TION.**

8 *(a) IN GENERAL.—Section 3(18) of the Employee Re-*
 9 *tirement Income Security Act of 1974 (29 U.S.C. 1002(18))*
 10 *is amended—*

11 *(1) in subparagraph (A), by redesignating*
 12 *clauses (i) and (ii) as subclauses (I) and (II), respec-*
 13 *tively;*

14 *(2) by redesignating subparagraphs (A) and (B)*
 15 *as clauses (i) and (ii), respectively;*

16 *(3) by inserting “(A)” before “The term”; and*

17 *(4) by adding at the end the following:*

18 *“(B)(i) For purposes of clause (ii) of subparagraph*
 19 *(A), a fiduciary of an employee stock ownership plan (as*
 20 *defined in section 407(d)(6)) may in good faith rely upon*
 21 *a valuation provided by an independent valuation expert*
 22 *or business appraiser if such expert or appraiser relied*
 23 *upon the principles and methodologies set forth in Internal*
 24 *Revenue Service Revenue Ruling 59-60 (as amplified, clari-*

1 *fied, distinguished, or modified from time to time) in deter-*
 2 *mining the fair market value of the asset.*

3 “(ii) Clause (i) shall not be interpreted to—

4 “(I) preclude the Secretary from promulgating,
 5 in accordance with section 553 of title 5, United
 6 States Code, any regulation interpreting such clause;

7 “(II) expand the regulatory authority of the Sec-
 8 retary with respect to the term ‘adequate consider-
 9 ation’ beyond the authority of the Secretary with re-
 10 spect to such term on the day before the date of enact-
 11 ment of the Retire through Ownership Act; or

12 “(III) modify a fiduciary’s obligations under
 13 section 404.”.

14 (b) *EFFECTIVE DATE.*—The amendments made by sub-
 15 section (a) shall apply with respect to determinations de-
 16 scribed in section 3(18)(B) of the Employee Retirement In-
 17 come Security Act of 1974 (29 U.S.C. 1002(18)(B)) (as
 18 added by such subsection) that are made on or after the
 19 date of enactment of this Act.

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