II

119TH CONGRESS
1ST SESSION

S. 1707

To amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 with respect to minimum participation standards for pension plans and qualified trusts.

IN THE SENATE OF THE UNITED STATES

MAY 12, 2025

Mr. CASSIDY (for himself and Mr. KAINE) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

---

A BILL

To amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 with respect to minimum participation standards for pension plans and qualified trusts.

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 ‘‘Helping Young Americans Save for Retirement Act’’.

SEC. 2. ELIGIBILITY AT AGE 18 UNDER CERTAIN CONDITIONS.

(a) ERISA.—

(1) AGE 18.—Subparagraphs (A) and (B) of section 202(c)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1052(c)(1)) are amended to read as follows:

"(A) the period permitted under subsection (a)(1), determined—

"(i) without regard to subparagraph (B)(i) thereof; and

"(ii) by substituting '18' for '21' in subparagraph (A)(i) thereof; or

"(B) the first 24-month period—

"(i) consisting of 2 consecutive 12-month periods during each of which the employee has at least 500 hours of service; and

"(ii) by the close of which the employee has met the requirement of subsection (a)(1)(A)(i) (without regard to subparagraph (A)(ii) of this paragraph).".

(2) CONFORMING AMENDMENTS.—Section 202(c) of such Act (29 U.S.C. 1052(c)) is amended—

(A) in the subsection heading—

(i) by striking "SPECIAL RULE" and inserting "SPECIAL RULES"; and

(ii) by adding "AND CERTAIN YOUNGER EMPLOYEES" after "EMPLOYEES"; and

(B) in paragraph (3)—

(i) by striking "paragraph (1)(B)" and inserting "paragraph (1)"; and

(ii) by striking "section 401(k)(2)(D)(ii)" and inserting "section 401(k)(2)(D)".

(3) OPINION OF INDEPENDENT QUALIFIED PUBLIC ACCOUNTANT.—Section 104(a)(2) of such Act (29 U.S.C. 1024(a)(2)) is amended by adding at the end the following:

"(C) For purposes of subparagraph (A) and the last sentence of section 103(a)(3)(A), with respect to a pension plan in which at least one employee participates solely by reason of section 202(c)(1)(A), no employee participating in such plan solely by reason of section 202(c)(1)(A) shall be counted as a participant until the date that is 5 years after the date on which the first such employee first becomes a participant in such plan.".

(b) INTERNAL REVENUE CODE OF 1986.—

(1) AGE 18.—Clauses (i) and (ii) of section 401(k)(2)(D) of the Internal Revenue Code of 1986 are amended to read as follows:

"(i) the period permitted under section 410(a)(1), determined—

"(I) without regard to subparagraph (B)(i) thereof, and

"(II) by substituting '18' for '21' in subparagraph (A)(i) thereof, or

"(ii) subject to the provisions of paragraph (15), the first of 2 consecutive 12-month periods during each of which the employee has at least 500 hours of service, provided that the employee has satisfied the requirements of section 410(a)(1)(A)(i) (without regard to clause (i)(II) of this subparagraph).".

(2) CONFORMING AMENDMENTS.—The Internal Revenue Code of 1986 is amended—

(A) in section 401(k)(15)—

(i) in the paragraph heading, by adding "AND CERTAIN YOUNGER WORKERS" after "WORKERS"; and

(ii) in subparagraph (B)—

(I) in clauses (i) and (ii), by striking "(2)(D)(ii)" each place it appears and inserting "(2)(D)";

(II) in clause (i), by striking "202(c)(1)(B)" and inserting "202(c)(1)"; and

(III) in clause (iv), striking "paragraph (2)(D)(ii)" and inserting "clauses (i)(II) and (ii) of paragraph (2)(D)"; and

(B) in section 403(b)(12)—

(i) in subparagraph (A), by striking "section 202(c)" and inserting "section 202(c)(1)(B)"; and

(ii) in subparagraph (D)—

(I) in the subparagraph heading, by inserting "AND CERTAIN YOUNGER EMPLOYEES" after "EMPLOYEES"; and

(II) in clause (i), by striking "202(c)(1)(B)" and adding "202(c)(1)".

(c) APPLICATION.—The amendments made by this section shall apply to plan years beginning on or after the date that is 1 year after the date of enactment of this Act.

○