



AMENDMENT NO. _____ Calendar No. _____

Purpose: To require the Secretary of Labor to appoint an Advocate for Employee Ownership within the Employee Ownership Initiative, and for other purposes.

IN THE SENATE OF THE UNITED STATES—119th Cong., 1st Sess.

S. 1728

To amend the Employee Retirement Income Security Act of 1974 to expand the membership of the Advisory Council on Employee Welfare and Pension Benefit Plans to include representatives of employee ownership organizations.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Ms. HASSAN (for
herself and Mr. CASSIDY)

Viz:

1 At the end, add the following:

2 **SEC. 3. ESTABLISHMENT OF THE ADVOCATE FOR EM-**

3 **PLOYEE OWNERSHIP.**

4 (a) IN GENERAL.—Subtitle A of title III of the Em-
5 ployee Retirement Income Security Act of 1974 (29
6 U.S.C. 1201 et seq.) is amended by adding at the end
7 the following:

1 **“SEC. 3005. ADVOCATE FOR EMPLOYEE OWNERSHIP.**

2 “(a) IN GENERAL.—The Secretary of Labor shall ap-
3 point an Advocate for Employee Ownership within the
4 Employee Ownership Initiative established under section
5 346(b)(1) of the SECURE 2.0 Act of 2022 (division T
6 of the Consolidated Appropriations Act, 2023 (Public Law
7 117–328)). The appointment shall be made without regard
8 to the provisions of title 5, United States Code, relating
9 to appointments in the competitive service or Senior Exec-
10 utive Service.

11 “(b) DUTIES.—The Advocate for Employee Owner-
12 ship shall—

13 “(1) consult with the head of the Employee
14 Ownership Initiative established under section
15 346(b)(1) of the SECURE 2.0 Act of 2022 (division
16 T of the Consolidated Appropriations Act, 2023
17 (Public Law 117–328));

18 “(2) act as a liaison between the Department of
19 Labor, employee ownership advocates, employers
20 considering employee ownership, workers interested
21 in employee ownership, and other stakeholders, in-
22 cluding employee stock ownership plan sponsors and
23 participants;

24 “(3) provide public education and assistance re-
25 lated to the expansion of employee ownership
26 through the establishment and maintenance of prac-

1 tices that promote employee ownership, including the
2 use of employee stock ownership plans;

3 “(4) provide assistance for purposes of resolving
4 a dispute between the Department of Labor and any
5 employee stock ownership plan sponsor, fiduciary, or
6 participant and help facilitate communication be-
7 tween such entities and the Department of Labor for
8 such purposes;

9 “(5) identify and recommend potential legisla-
10 tive and administrative changes, including related to
11 access to capital issues, to increase practices that
12 promote employee ownership plans, including the use
13 of employee stock ownership plans; and

14 “(6) coordinate with other Federal agencies, in-
15 cluding the Administrator of the Small Business Ad-
16 ministration, the Secretary of the Treasury, and the
17 Secretary of Commerce, and State and local govern-
18 ments on outreach and education to inform employ-
19 ees and employers about the possibilities and bene-
20 fits of employee ownership as a business ownership
21 succession planning option.

22 “(c) CONSULTATION AND INPUT.—The Secretary of
23 Labor shall solicit advice and input from the Advocate for
24 Employee Ownership in developing regulations or interpre-

1 tations of this Act that relate to employee stock ownership
2 plans.

3 “(d) COMPENSATION.—The Advocate for Employee
4 Ownership shall be entitled to compensation at the same
5 rate as the rate of basic pay in effect for a position at
6 level V of the Executive Schedule under section 5316 of
7 title 5, United States Code.

8 “(e) ANNUAL REPORT.—

9 “(1) IN GENERAL.—Not later than December
10 31 of each calendar year beginning after the date of
11 enactment of this section, the Advocate for Em-
12 ployee Ownership shall submit a report to the Com-
13 mittee on Health, Education, Labor, and Pensions
14 of the Senate and the Committee on Education and
15 Workforce of the House of Representatives on the
16 activities of the Office of the Advocate for Employee
17 Ownership during the fiscal year ending during such
18 calendar year, including the contents described in
19 paragraph (2).

20 “(2) CONTENTS.—Each report submitted under
21 paragraph (1) shall—

22 “(A) summarize the assistance requests re-
23 ceived by the Advocate for Employee Ownership
24 during the fiscal year ending during the cal-
25 endar year of such report;

1 “(B) describe the activities, including the
2 activities described under paragraphs (3) and
3 (4) of subsection (b), and evaluate the effective-
4 ness of the Advocate for Employee Ownership
5 during such fiscal year;

6 “(C) describe any significant problems the
7 Advocate for Employee Ownership has identi-
8 fied during such fiscal year and ways to miti-
9 gate such problems;

10 “(D) contain recommendations for any ad-
11 ministrative or legislative action that may be
12 appropriate to resolve barriers to, and to
13 incentivize, practices that promote employee
14 ownership, including the use of employee stock
15 ownership plans; and

16 “(E) describe progress related to employee
17 ownership in businesses in the United States.

18 “(3) CONCURRENT SUBMISSION.—The Advocate
19 for Employee Ownership shall submit a copy of each
20 report submitted under paragraph (1) to the Sec-
21 retary of Labor, and any other appropriate official,
22 at the same time such report is submitted under
23 paragraph (1).

24 “(4) PUBLIC AVAILABILITY.—The Advocate for
25 Employee Ownership shall make a copy of each re-

1 port submitted under paragraph (1) available to the
2 public.

3 “(5) DEFINITION OF EMPLOYEE STOCK OWNER-
4 SHIP PLAN.—For purposes of this section, the term
5 ‘employee stock ownership plan’ has the meaning
6 given the term in section 4975(e)(7) of the Internal
7 Revenue Code of 1986.

8 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
9 is authorized to be appropriated such sums as may be nec-
10 essary to carry out subsection (d).”.

11 (b) CLERICAL AMENDMENT.—The table of contents
12 in section 1 of the Employee Retirement Income Security
13 Act of 1974 (29 U.S.C. 1001 note) is amended by insert-
14 ing after the item relating to section 3004 the following
15 new item:

“Sec. 3005. Advocate for employee ownership.”.