

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: In the nature of a substitute.

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

**S. 2403**

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.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended  
to be proposed by Mr. MARSHALL (for himself and Mr.  
KAINE)

Viz:

1 Strike all after the enacting clause and insert the fol-  
2 lowing:

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  
9 Retirement Income Security Act of 1974 (29 U.S.C.  
10 1002(18)) is amended—

1           (1) by redesignating clauses (i) and (ii) as sub-  
2           clauses (I) and (II), respectively;

3           (2) by redesignating subparagraphs (A) and  
4           (B) as clauses (i) and (ii), respectively;

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

6           (4) by adding at the end the following:

7           “(B) For purposes of clause (ii), a fiduciary of  
8           an employee stock ownership plan as defined in sec-  
9           tion 407(d)(6) may make a good faith reliance on a  
10          valuation provided by an independent valuation ex-  
11          pert or business appraiser that has relied upon the  
12          principles and methodologies set forth in Internal  
13          Revenue Service Revenue Ruling 59–60 (as ampli-  
14          fied and modified by the Internal Revenue Service  
15          from time to time) in determining the fair market  
16          value of an asset described in such clause.”.

17          (b) **EFFECTIVE DATE.**—The amendments made by  
18          subsection (a) shall apply with respect to determinations  
19          described in section 3(18)(B) of the Employee Retirement  
20          Income Security Act of 1974 (29 U.S.C. 1002(18)(B)) (as  
21          added by such subsection) that are made on or after the  
22          date of enactment of this Act.