

117TH CONGRESS
1ST SESSION

S. _____

To amend the Employee Retirement Income Security Act of 1974 to provide for greater spousal protection under defined contribution plans, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mrs. MURRAY (for herself, Mr. BLUMENTHAL, Ms. HIRONO, Ms. KLOBUCHAR, Mrs. FEINSTEIN, Ms. SMITH, Ms. WARREN, Ms. CANTWELL, Mr. WYDEN, Mr. SANDERS, Ms. BALDWIN, Mr. BENNET, Mr. MENENDEZ, Ms. CORTEZ MASTO, Mr. KAINE, Mr. PADILLA, Ms. ROSEN, Mr. BROWN, Mrs. GILLIBRAND, Ms. STABENOW, Mr. DURBIN, Mr. MERKLEY, and Ms. DUCKWORTH) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Employee Retirement Income Security Act of 1974 to provide for greater spousal protection under defined contribution plans, 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 “Women’s Retirement
5 Protection Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Approximately 25 percent of non-retired
2 adults have no defined benefit plan or retirement
3 savings, according to 2020 data from the Board of
4 Governors of the Federal Reserve System.

5 (2) In 2020, one-third of the private sector
6 workforce did not have access to a retirement plan
7 at the workplace, and only half of the workforce ac-
8 tually participated in a retirement plan.

9 (3) Women's retirement preparedness often lags
10 significantly behind their male counterparts', result-
11 ing in the median income for women aged 65 and
12 older in 2020 being just 83 percent of the median
13 income of men aged 65 and older, including income
14 from social security, pension plans, investments, and
15 earnings.

16 (4) Among people aged 75 and older, 13.2 per-
17 cent of women live in poverty, while 8.8 percent of
18 men live in poverty.

19 (5) Women make up two-thirds of low-wage
20 workers, even though they comprise less than half of
21 all workers, and low-wage workers are less likely
22 than other workers to participate in a retirement
23 plan at work.

24 (6) Because of the pay gap, women working
25 full-time, year-round typically lose \$406,280 over a

1 40-year career thereby requiring the average woman
2 to work almost a decade longer than her male coun-
3 terpart to make up that career wage gap. For Black
4 and Latina women, the career wage gap is even larg-
5 er at \$964,400 and \$1,163,920, respectively.

6 (7) Due to the lower lifetime wages stemming
7 from unequal pay and caregiving duties, the average
8 Social Security benefit in 2019 for a woman age 65
9 or older was \$13,505 a year, while for men such av-
10 erage benefit was \$17,374 a year.

11 (8) The COVID-19 pandemic has exacerbated
12 the existing gender gap in retirement savings as
13 women have been more likely to leave the workforce
14 for caregiving. Women, especially women of color,
15 have also been more likely to lose their jobs during
16 the pandemic due to overrepresentation in industries
17 severely hit by the pandemic.

18 (9) Just 1 in 5 part-time workers who work a
19 full year are eligible for a retirement plan, and
20 women are almost twice as likely as men to work
21 part-time.

22 (10) While traditional defined benefit retire-
23 ment plans have spousal protections, defined con-
24 tribution retirement plans, which have become in-

1 creasingly common, currently provide no similar
2 spousal protections.

3 (11) Every year, more than 1,200,000 couples
4 get divorced in the United States. After the family
5 home, retirement savings tends to be the largest
6 asset to be divided in a divorce.

7 (12) While fees and expenses associated with
8 retirement plans have been in decline, participants
9 have seen direct charges for processing qualified do-
10 mestic relations orders increase significantly.

11 **SEC. 3. INCREASING SPOUSAL PROTECTION UNDER DE-**
12 **FINED CONTRIBUTION PLANS.**

13 (a) AMENDMENT OF EMPLOYEE RETIREMENT IN-
14 COME SECURITY ACT OF 1974.—

15 (1) IN GENERAL.—Part 2 of subtitle B of title
16 I of the Employee Retirement Income Security Act
17 of 1974 (29 U.S.C. 1051 et seq.) is amended by in-
18 serting after section 205 the following new section:

19 **“SEC. 205A. ADDITIONAL SPOUSAL CONSENT REQUIRE-**
20 **MENTS.**

21 “(a) IN GENERAL.—Each individual account plan to
22 which section 205 does not apply shall provide that, except
23 as provided in subsections (c) and (d), no distribution may
24 be made under the plan unless the spousal consent re-
25 quirements of subsection (e) are met.

1 “(b) COORDINATION WITH SECTION 205.—Nothing
2 in this section shall be construed to exempt an individual
3 account plan from the requirements of paragraph (1)(B),
4 (1)(C), or (2) of section 205(b) with respect to any partici-
5 pant.

6 “(c) EXCEPTIONS FOR CERTAIN DISTRIBUTIONS.—
7 Subsection (a) shall not apply to—

8 “(1) any distribution that is—

9 “(A) a minimum required distribution de-
10 scribed in section 4974(b) of the Internal Rev-
11 enue Code of 1986; or

12 “(B) permitted under section 203(e)(1) to
13 be made without the consent of the participant;

14 “(2) any distribution in the form of a qualified
15 joint and survivor annuity (as defined in section
16 205(d)(1)), a qualified optional survivor annuity (as
17 defined in section 205(d)(2)), a qualified preretire-
18 ment survivor annuity (as defined in section 205(e)),
19 or a series of substantially equal periodic payments
20 (not less frequently than annually) made for the
21 joint lives (or life expectancies) of the participant
22 and the participant’s spouse; or

23 “(3) in the case of a participant who does not
24 elect a form of benefit described in paragraph (2)
25 under the plan or who is participating in a plan that

1 does not provide such a form of benefit, any dis-
2 tribution of the participant's entire nonforfeitable
3 accrued benefit if 50 percent of such accrued benefit
4 is transferred to an individual retirement plan (as
5 defined in section 7701(a)(37) of the Internal Rev-
6 enue Code of 1986) of the spouse of the participant.
7 A transfer described in paragraph (3) to an individual re-
8 tirement plan shall be treated in the same manner as a
9 transfer under section 408(d)(6) of the Internal Revenue
10 Code of 1986.

11 “(d) EXCEPTIONS FOR CERTAIN ROLLOVER CON-
12 TRIBUTIONS.—Subsection (a) shall not apply to any dis-
13 tribution that is an eligible rollover distribution (as de-
14 fined in section 402(f)(2)(A) of the Internal Revenue Code
15 of 1986) made in the form of a direct trustee-to-trustee
16 transfer within the meaning of section 401(a)(31) of the
17 Internal Revenue Code of 1986—

18 “(1) to a plan to which this section or section
19 205 applies; or

20 “(2) to an individual retirement plan (as de-
21 fined in section 7701(a)(37) of the Internal Revenue
22 Code of 1986) if—

23 “(A) the beneficiary of such plan is the
24 spouse of the participant, or the spousal con-
25 sent requirements of subsection (e) are met

1 with respect to any designation of 1 or more
2 other beneficiaries; and

3 “(B) under the terms of the individual re-
4 tirement plan, the beneficiary of such plan
5 (whether the spouse or other beneficiary des-
6 ignated under paragraph (1)) may not be
7 changed unless—

8 “(i) the spousal consent requirements
9 of subsection (e) are met with respect to
10 any such change, or

11 “(ii) the spousal consent under sub-
12 paragraph (A) to the designation of a ben-
13 efiiciary other than the spouse expressly
14 permits such designation to be changed
15 without the further consent of the spouse.

16 “(e) SPOUSAL CONSENT REQUIREMENTS.—

17 “(1) IN GENERAL.—For purposes of this sec-
18 tion, except as provided in paragraph (2), the spous-
19 al consent requirements of this subsection are met
20 with respect to any distribution or any designation
21 or change of beneficiary if—

22 “(A) the plan provides to each participant,
23 within a reasonable period of time before such
24 distribution or designation or change of bene-
25 fiiciary is made and consistent with such regula-

1 tions as the Secretary of the Treasury may pre-
2 scribe, a written explanation of the rights of the
3 participant and the participant’s spouse under
4 this section;

5 “(B) the spouse of the participant consents
6 in writing to the distribution or designation or
7 change of beneficiary;

8 “(C) in the case of a distribution, the writ-
9 ten consent under subparagraph (B) is made
10 during the consent period; and

11 “(D) the written consent under subpara-
12 graph (B)—

13 “(i) acknowledges the effect of such
14 distribution or designation or change of
15 beneficiary; and

16 “(ii) is witnessed by a plan represent-
17 ative or a notary public.

18 “(2) EXCEPTIONS.—The requirements of para-
19 graph (1) (other than subparagraph (A) thereof)
20 shall not apply with respect to any distribution or
21 designation or change of beneficiary if a participant
22 establishes to the satisfaction of the plan adminis-
23 trator that—

24 “(A) there is no spouse;

1 “(B) the participant and the participant’s
2 spouse have not been married for at least 1
3 year as of the date of the distribution or des-
4 ignation or change of beneficiary; or

5 “(C) such consent cannot be obtained be-
6 cause—

7 “(i) the spouse cannot be located;

8 “(ii) due to exceptional circumstances,
9 requiring the participant to seek the
10 spouse’s consent would be inappropriate;
11 or

12 “(iii) of such other circumstances as
13 the Secretary of the Treasury, in consulta-
14 tion with the Secretary of Labor, may by
15 regulations prescribe.

16 “(3) CONSENT LIMITED TO SPOUSE AND
17 EVENT.—Any written consent by a spouse under
18 paragraph (1), or the establishment by a participant
19 that an exception under paragraph (2) applies with
20 respect to a spouse, shall be effective only with re-
21 spect to that spouse and to the distribution or des-
22 ignation or change of beneficiary to which it relates.

23 “(4) CONSENT PERIOD.—For purposes of this
24 subsection, the term ‘consent period’ means, with re-
25 spect to any distribution—

1 “(A) the 90-day period immediately pre-
2 ceding the date of such distribution; or

3 “(B) such other period as the Secretary of
4 the Treasury may provide.

5 “(f) DISCHARGE OF PLAN FROM LIABILITY.—Rules
6 similar to the rules of section 205(c)(6) shall apply for
7 purposes of this section.”.

8 (2) CLERICAL AMENDMENT.—The table of sec-
9 tions of part 2 of subtitle B of title I of the Em-
10 ployee Retirement Income Security Act of 1974 is
11 amended by inserting after the item relating to sec-
12 tion 205 the following new item:

“Sec. 205A. Additional spousal consent requirements.”.

13 (3) RIGHT OF ACTION.—Section 502(a) of the
14 Employee Retirement Income Security Act of 1974
15 (29 U.S.C. 1132) is amended—

16 (A) by striking “or” at the end of para-
17 graph (10);

18 (B) by striking the period at the end of
19 paragraph (11) and inserting “; or”; and

20 (C) by adding at the end the following new
21 paragraph:

22 “(12) by an individual for appropriate relief in
23 the case of a violation of the individual’s rights
24 under section 205A.”.

1 (4) PARALLEL AMENDMENT TO SECTION 205.—
2 Section 205(c)(2)(B) of the Employee Retirement
3 Income Security Act of 1974 (29 U.S.C.
4 1055(c)(2)(B)) is amended by inserting “, because
5 due to exceptional circumstances, requiring the par-
6 ticipant to seek the spouse’s consent would be inap-
7 propriate” after “located”.

8 (b) CONFORMING AMENDMENT TO INTERNAL REV-
9 ENUE CODE OF 1986.—Section 401(a) of the Internal
10 Revenue Code of 1986 is amended by inserting after para-
11 graph (17) the following new paragraph:

12 “(18) ADDITIONAL SPOUSAL CONSENT RE-
13 QUIREMENTS.—

14 “(A) IN GENERAL.—In the case of a de-
15 fined contribution plan to which paragraph (11)
16 does not apply, except as provided in sub-
17 sections (c) and (d), a trust forming part of
18 such plan shall not constitute a qualified trust
19 under this section unless no distribution may be
20 made under the plan unless the spousal consent
21 requirements of subparagraph (E) are met.

22 “(B) COORDINATION WITH PARAGRAPH
23 (11).—Nothing in this paragraph shall be con-
24 strued to exempt a defined contribution plan
25 from the requirements of subparagraph (B)(ii),

1 (B)(iii), or (C) of paragraph (11) with respect
2 to any participant.

3 “(C) EXCEPTIONS FOR CERTAIN DISTRIBUTIONS.—Subparagraph (A) shall not apply to—

4 “(i) any distribution that is—

5 “(I) a minimum required distribution described in section 4974(b),
6
7
8 or

9 “(II) permitted under section
10 411(a)(11) to be made without the
11 consent of the participant,

12 “(ii) any distribution in the form of a
13 qualified joint and survivor annuity (as de-
14 fined in section 417(b)), a qualified op-
15 tional survivor annuity (as defined in sec-
16 tion 417(g)), a qualified preretirement sur-
17 vivor annuity (as defined in section
18 417(e)), or a series of substantially equal
19 periodic payments (not less frequently than
20 annually) made for the joint lives (or life
21 expectancies) of the participant and the
22 participant’s spouse, or

23 “(iii) in the case of a participant who
24 does not elect a form of benefit described
25 in clause (ii) under the plan or who is par-

1 participating in a plan that does not provide
2 such a form of benefit, any distribution of
3 the participant's entire nonforfeitable ac-
4 crued benefit if 50 percent of such accrued
5 benefit is transferred to an individual re-
6 tirement plan of the spouse of the partici-
7 pant.

8 A transfer described in clause (iii) to an indi-
9 vidual retirement plan shall be treated in the
10 same manner as a transfer under section
11 408(d)(6).

12 “(D) EXCEPTIONS FOR CERTAIN ROLL-
13 OVER CONTRIBUTIONS.—Subparagraph (A)
14 shall not apply to any distribution, involving a
15 participant who has a spouse, that is an eligible
16 rollover distribution (as defined in section
17 402(f)(2)(A)) made in the form of a direct
18 trustee-to-trustee transfer within the meaning
19 of paragraph (31)—

20 “(i) to a plan to which this paragraph
21 or paragraph (11) applies; or

22 “(ii) to an individual retirement plan
23 if—

24 “(I) the beneficiary of such plan
25 is the spouse of the participant, or the

1 spousal consent requirements of sub-
2 paragraph (E) are met with respect to
3 any designation of 1 or more other
4 beneficiaries; and

5 “(II) under the terms of the indi-
6 vidual retirement plan, the beneficiary
7 of such plan (whether the spouse or
8 other beneficiary designated under
9 clause (i)) may not be changed un-
10 less—

11 “(aa) the spousal consent
12 requirements of subparagraph
13 (E) are met with respect to any
14 such change, or

15 “(bb) the spousal consent
16 under subclause (I) to the des-
17 ignation of a beneficiary other
18 than the spouse expressly permits
19 such designation to be changed
20 without the further consent of
21 the spouse.

22 “(E) SPOUSAL CONSENT REQUIRE-
23 MENTS.—

24 “(i) IN GENERAL.—For purposes of
25 this paragraph, except as provided in

1 clause (ii), the spousal consent require-
2 ments of this subparagraph are met with
3 respect to any distribution or any designa-
4 tion or change of beneficiary if—

5 “(I) the plan provides to each
6 participant, within a reasonable period
7 of time before such distribution or
8 designation or change of beneficiary is
9 made and consistent with such regula-
10 tions as the Secretary may prescribe,
11 a written explanation of the rights of
12 the participant and the participant’s
13 spouse under this paragraph,

14 “(II) the spouse of the partici-
15 pant consents in writing to the dis-
16 tribution or designation or change of
17 beneficiary,

18 “(III) in the case of a distribu-
19 tion, the written consent under sub-
20 clause (II) is made during the consent
21 period, and

22 “(IV) the written consent under
23 subclause (ii)—

24 “(aa) acknowledges the ef-
25 fect of such distribution or des-

1 ignation or change of beneficiary,
2 and

3 “(bb) is witnessed by a plan
4 representative or a notary public.

5 “(ii) EXCEPTIONS UNDER SECTION
6 417(A)(2)(B) TO APPLY.—The requirements
7 of clause (i) (other than subclause (I)
8 thereof) shall not apply with respect to any
9 distribution or designation or change of
10 beneficiary if a participant establishes to
11 the satisfaction of the plan administrator
12 that—

13 “(I) there is no spouse,

14 “(II) the participant and the par-
15 ticipant’s spouse have not been mar-
16 ried for at least 1 year as of the date
17 of the distribution or designation or
18 change of beneficiary, or

19 “(III) such consent cannot be ob-
20 tained because—

21 “(aa) the spouse cannot be
22 located, or

23 “(bb) of such other cir-
24 cumstances as the Secretary, in
25 consultation with the Secretary

1 of Labor, may by regulations pre-
2 scribe.

3 “(iii) CONSENT LIMITED TO SPOUSE
4 AND EVENT.—Any written consent by a
5 spouse under clause (i), or the establish-
6 ment by a participant that an exception
7 under clause (ii) applies with respect to a
8 spouse, shall be effective only with respect
9 to that spouse and to the distribution or
10 designation or change of beneficiary to
11 which it relates.

12 “(iv) CONSENT PERIOD.—For pur-
13 poses of this subparagraph, the term ‘con-
14 sent period’ means, with respect to any
15 distribution—

16 “(I) the 90-day period imme-
17 diately preceding the date of such dis-
18 tribution, or

19 “(II) such other period as the
20 Secretary may provide.”.

21 **SEC. 4. IMPROVING COVERAGE FOR PART-TIME WORKERS.**

22 (a) AMENDMENT OF EMPLOYEE RETIREMENT IN-
23 COME SECURITY ACT OF 1974.—

24 (1) IN GENERAL.—Section 202 of the Employee
25 Retirement Income Security Act of 1974 (29 U.S.C.

1 1052) is amended by adding at the end the following
2 new subsection:

3 “(c) SPECIAL RULE FOR CERTAIN PART-TIME EM-
4 PLOYEES.—

5 “(1) IN GENERAL.—A pension plan that in-
6 cludes either a qualified cash or deferred arrange-
7 ment (as defined in section 401(k) of the Internal
8 Revenue Code of 1986) or a salary reduction agree-
9 ment (as described in section 403(b) of such Code)
10 shall not require, as a condition of participation in
11 the arrangement or agreement, that an employee
12 complete a period of service with the employer (or
13 employers) maintaining the plan extending beyond
14 the close of the earlier of—

15 “(A) the period permitted under subsection
16 (a)(1) (determined without regard to subpara-
17 graph (B)(i) thereof); or

18 “(B) the first 24-month period—

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

23 “(ii) by the close of which the em-
24 ployee has attained the age of 21.

1 “(2) EXCEPTION.—Paragraph (1)(B) shall not
2 apply to employees who are included in a unit of em-
3 ployees covered by an agreement which the Secretary
4 finds to be a collective bargaining agreement be-
5 tween employee representatives and 1 or more em-
6 ployers, if there is evidence that retirement benefits
7 were the subject of good faith bargaining between
8 such employee representatives and such employer or
9 employers.

10 “(3) COORDINATION WITH OTHER RULES.—

11 “(A) IN GENERAL.—In the case of employ-
12 ees who are eligible to participate in the ar-
13 rangement or agreement solely by reason of
14 paragraph (1)(B):

15 “(i) EXCLUSIONS.—An employer may
16 elect to exclude such employees from the
17 application of subsections (a)(4), (k)(3),
18 (k)(12), (k)(13), (k)(15)(B)(iv),
19 (k)(15)(B)(i)(I), and (m)(2) of section 401
20 of such Code and section 410(b) of such
21 Code.

22 “(ii) TIME OF PARTICIPATION.—The
23 rules of subsection (a)(4) shall apply to
24 such employees.

1 “(B) TOP-HEAVY RULES.—An employer
2 may elect to exclude all employees who are eligi-
3 ble to participate in a plan maintained by the
4 employer solely by reason of paragraph (1)(B)
5 from the application of the vesting and benefit
6 requirements under subsections (b) and (c) of
7 section 416 of such Code.

8 “(4) 12-MONTH PERIOD.—For purposes of this
9 subsection, 12-month periods shall be determined in
10 the same manner as under the last sentence of sub-
11 section (a)(3)(A), except that 12-month periods be-
12 ginning before January 1, 2021, shall not be taken
13 into account.”.

14 (2) VESTING.—Section 203(b) of the Employee
15 Retirement Income Security Act of 1974 (29 U.S.C.
16 1053(a)) is amended by redesignating paragraph (4)
17 as paragraph (5) and by inserting after paragraph
18 (3) the following new paragraph:

19 “(4) PART-TIME EMPLOYEES.—For purposes of de-
20 termining whether an employee who is eligible to partici-
21 pate in a qualified cash or deferred arrangement or a sal-
22 ary reduction agreement under a plan solely by reason of
23 section 202(e)(1)(B) has a nonforfeitable right to em-
24 ployer contributions—

1 “(A) except as provided in subparagraph (B),
2 each 12-month period for which the employee has at
3 least 500 hours of service shall be treated as a year
4 of service;

5 “(B) paragraph (3) shall be applied by sub-
6 stituting ‘at least 500 hours of service’ for ‘more
7 than 500 hours of service’ in subparagraph (A)
8 thereof; and

9 “(C) 12-month periods occurring before the 24-
10 month period described in section 202(c)(1)(B) shall
11 not be treated as years of service.

12 For purposes of this paragraph, 12-month periods shall
13 be determined in the same manner as under the last sen-
14 tence of section 202(a)(3)(A), except that 12-month peri-
15 ods beginning before January 1, 2021, shall not be taken
16 into account.”.

17 (3) PENALTY.—Section 502 of the Employee
18 Retirement Income Security Act of 1974 (29 U.S.C.
19 1132) is amended by adding at the end the following
20 new subsection:

21 “(n) REQUIREMENTS RELATING TO PART-TIME EM-
22 PLOYEES.—In the case of a plan that fails to permit par-
23 ticipation as required by section 202(c), the Secretary may
24 assess a civil penalty against the plan sponsor in an
25 amount equal to \$10,000 per year per employee to whom

1 such failure relates. The Secretary may, in the Secretary's
2 sole discretion, waive or reduce the penalty under this sub-
3 section if the Secretary determines that the plan sponsor
4 acted reasonably and in good faith.”.

5 (b) CONFORMING AMENDMENTS TO INTERNAL REV-
6 ENUE CODE OF 1986.—

7 (1) IN GENERAL.—Section 410(a) of the Inter-
8 nal Revenue Code of 1986 is amended by adding at
9 the end the following new paragraphs:

10 “(6) SPECIAL RULE FOR CERTAIN PART-TIME
11 EMPLOYEES.—

12 “(A) IN GENERAL.—In the case of a plan
13 that includes either a qualified cash or deferred
14 arrangement (as defined in section 401(k)) or a
15 salary reduction agreement (as described in sec-
16 tion 403(b)), a trust of which such plan is a
17 part shall not constitute a qualified trust under
18 section 401(a) if the plan requires, as a condi-
19 tion of participation in the plan or arrange-
20 ment, that an employee complete a period of
21 service with the employer (or employers) main-
22 taining the plan extending beyond the close of
23 the earlier of—

1 “(i) the period permitted under para-
2 graph (1) (determined without regard to
3 subparagraph (B)(i) thereof), or

4 “(ii) the first 24-month period—

5 “**(I)** consisting of 2 consecutive
6 12-month periods during each of
7 which the employee has at least 500
8 hours of service, and

9 “**(II)** by the close of which the
10 employee has attained the age of 21.

11 “**(B) EXCEPTION.**—Subparagraph (A)(ii)
12 shall not apply to employees who are included
13 in a unit of employees covered by an agreement
14 which the Secretary of Labor finds to be a col-
15 lective bargaining agreement between employee
16 representatives and 1 or more employers, if
17 there is evidence that retirement benefits were
18 the subject of good faith bargaining between
19 such employee representatives and such em-
20 ployer or employers.

21 “**(C) COORDINATION WITH OTHER**
22 **RULES.**—

23 “**(i) IN GENERAL.**—In the case of em-
24 ployees who are eligible to participate in

1 the arrangement or agreement solely by
2 reason of subparagraph (A)(ii)—

3 “(I) EXCLUSIONS.—An employer
4 may elect to exclude such employees
5 from the application of subsection (b)
6 and of subsections (a)(4), (k)(3),
7 (k)(12), (k)(13), (k)(15)(B)(iv),
8 (k)(15)(B)(i)(I), and (m)(2) of section
9 401.

10 “(II) TIME OF PARTICIPATION.—
11 The rules of paragraph (4) shall apply
12 to such employees.

13 “(ii) TOP-HEAVY RULES.—An em-
14 ployer may elect to exclude all employees
15 who are eligible to participate in a plan
16 maintained by the employer solely by rea-
17 son of subparagraph (A)(ii) from the appli-
18 cation of the vesting and benefit require-
19 ments under subsections (b) and (c) of sec-
20 tion 416.

21 “(D) 12-MONTH PERIOD.—For purposes of
22 this paragraph, 12-month periods shall be de-
23 termined in the same manner as under the last
24 sentence of paragraph (3)(A), except that 12-

1 month periods beginning before January 1,
2 2021, shall not be taken into account.

3 “(7) PART-TIME EMPLOYEES.—For purposes of
4 determining whether an employee who is eligible to
5 participate in a qualified cash or deferred arrange-
6 ment or a salary reduction agreement under a plan
7 solely by reason of paragraph (6)(A)(ii) has a non-
8 forfeitable right to employer contributions—

9 “(A) except as provided in subparagraph
10 (B), each 12-month period for which the em-
11 ployee has at least 500 hours of service shall be
12 treated as a year of service,

13 “(B) section 411(a)(6) shall be applied by
14 substituting ‘at least 500 hours of service’ for
15 ‘more than 500 hours of service’ in subpara-
16 graph (A) thereof, and

17 “(C) 12-month periods occurring before
18 the 24-month period described in paragraph
19 (6)(A)(ii) shall not be treated as years of serv-
20 ice.

21 For purposes of this paragraph, 12-month periods
22 shall be determined in the same manner as under
23 paragraph (6)(D).”.

1 **SEC. 5. EFFECTIVE DATES.**

2 (a) INCREASING SPOUSAL PROTECTION UNDER DE-
3 FINED CONTRIBUTION PLANS.—Except as provided in
4 subsections (c) and (d), the amendments made by section
5 3 shall apply to distributions and rollover contributions
6 made in plan years beginning after the date that is 1 year
7 after the date of the enactment of this Act.

8 (b) ENSURING COVERAGE FOR LONG-TERM PART-
9 TIME WORKERS.—Except as provided in subsections (c)
10 and (d), the amendments made by section 4 shall apply
11 to plan years beginning after December 31, 2021.

12 (c) COLLECTIVE BARGAINING AGREEMENTS.—In the
13 case of a plan maintained pursuant to one or more collec-
14 tive bargaining agreements between employee representa-
15 tives and one or more employers ratified before the date
16 of the enactment of this Act, the amendments made by
17 sections 3 and 4 shall not apply to distributions or rollover
18 contributions on behalf of employees covered by any such
19 agreement for plan years beginning before the earlier of—

20 (1) the later of—

21 (A) the date on which the last of such col-
22 lective bargaining agreements terminates (de-
23 termined without regard to any extension there-
24 of on or after such date of the enactment); or

25 (B) the day after the date specified in sub-
26 section (a) or (b), whichever is applicable; or

1 (2) the date that is 3 years after the applicable
2 day described in paragraph (1)(B).

3 (d) PROVISIONS RELATING TO PLAN AMEND-
4 MENTS.—

5 (1) IN GENERAL.—If this paragraph applies to
6 any plan or contract amendment, such plan or con-
7 tract shall be treated as being operated in accord-
8 ance with the terms of the plan during the period
9 described in paragraph (2)(C).

10 (2) AMENDMENTS TO WHICH PARAGRAPH (1)
11 APPLIES.—

12 (A) IN GENERAL.—Paragraph (1) shall
13 apply to any amendment to any plan or annuity
14 contract which is made—

15 (i) pursuant to the amendments made
16 by section 3 or 4 or pursuant to any regu-
17 lation issued under either such section; and

18 (ii) on or before the last day of the
19 first plan year beginning on or after the
20 date that is 3 years after the applicable
21 day described in subsection (c)(1)(B).

22 In the case of a governmental plan (as defined
23 in section 414(d) of the Internal Revenue Code
24 of 1986), this subparagraph shall be applied by

1 substituting “5 years” for “3 years” in clause
2 (ii).

3 (B) CONDITIONS.—Subparagraph (A) shall
4 not apply to any amendment unless—

5 (i) the plan or contract is operated as
6 if such plan or contract amendment were
7 in effect for the period described in sub-
8 paragraph (C); and

9 (ii) such plan or contract amendment
10 applies retroactively for such period.

11 (C) PERIOD DESCRIBED.—The period de-
12 scribed in this subparagraph is the period—

13 (i) beginning on the effective date
14 specified by the plan; and

15 (ii) ending on the date described in
16 subparagraph (A)(ii) (or, if earlier, the
17 date the plan or contract amendment is
18 adopted).

19 **SEC. 6. ACCESS TO INDEPENDENT CONSUMER INFORMA-**
20 **TION AND UNDERSTANDING.**

21 (a) DEFINITIONS.—In this section—

22 (1) the term “consumer” means any person
23 who purchases or acquires any goods, products, serv-
24 ices, or credit related to the retirement or later life
25 economic security of the consumer; and

1 (2) the term “financial product or service pro-
2 vider” means any person who engages in the busi-
3 ness of providing any retirement financial product or
4 service to any consumer.

5 (b) REQUIRED LINK TO CONSUMER AWARENESS IN-
6 FORMATION.—In any offer for the sale, exchange, or other
7 transfer of a retirement financial product or service to a
8 consumer carried out by a financial product or service pro-
9 vider, such provider shall provide, in a manner consistent
10 with subsection (c), an easily accessible link to the website
11 of the Bureau of Consumer Financial Protection (referred
12 to in this section as the “CFPB”) at which the consumer
13 may access information, literature, guides, programs,
14 tools, strategies, or any other resource produced by the
15 CFPB or other Federal agency relating to retirement
16 planning or later life economic security.

17 (c) DETERMINATION.—In order to ensure that the re-
18 quirement under subsection (b) is effectively carried out,
19 the Financial Literacy and Education Commission shall
20 determine and publish on its website the appropriate link
21 to the CFPB’s website for access to the CFPB’s and other
22 Federal agencies’ consumer education materials, the pre-
23 ferred format of such link, and any accompanying descrip-
24 tion of the CFPB and the consumer education materials
25 associated with such link.

1 **SEC. 7. GRANTS TO PROMOTE FINANCIAL LITERACY FOR**
2 **WOMEN.**

3 (a) **AUTHORIZATION OF GRANT AWARDS.**—The Sec-
4 retary of Labor, acting through the Director of the Wom-
5 en’s Bureau, shall award grants on a competitive basis to
6 eligible entities to enable such entities to improve the fi-
7 nancial literacy of women who are working age or in re-
8 tirement, to increase the likelihood of the women realizing
9 a secure and stable retirement.

10 (b) **DEFINITION OF ELIGIBLE ENTITY.**—In this sec-
11 tion, the term “eligible entity” means a community-based
12 organization with proven experience and expertise in serv-
13 ing working-age or retired women.

14 (c) **APPLICATION.**—An eligible entity that desires to
15 receive a grant under this section shall submit an applica-
16 tion to the Secretary of Labor at such time, in such man-
17 ner, and accompanied by such information as such Sec-
18 retary may require.

19 (d) **MINIMUM GRANT AMOUNT.**—The Secretary of
20 Labor shall award grants under this section in amounts
21 of not less than \$250,000.

22 (e) **USE OF FUNDS.**—An eligible entity that receives
23 a grant under this section shall use the grant funds to
24 develop and implement financial literacy education, and
25 related activities including outreach, awareness building,
26 and counseling to increase women’s knowledge of retire-

1 ment planning and consumer, economic, and personal fi-
2 nancial concepts.

3 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated to carry out this section
5 \$100,000,000 for fiscal year 2022 and each succeeding
6 fiscal year.

7 **SEC. 8. GRANTS TO ASSIST LOW-INCOME WOMEN AND SUR-**
8 **VIVORS OF DOMESTIC VIOLENCE IN OBTAIN-**
9 **ING QUALIFIED DOMESTIC RELATIONS OR-**
10 **DERS.**

11 (a) AUTHORIZATION OF GRANT AWARDS.—The Sec-
12 retary of Labor, acting through the Director of the Wom-
13 en’s Bureau and in conjunction with the Assistant Sec-
14 retary of the Employee Benefits Security Administration,
15 shall award grants, on a competitive basis, to eligible enti-
16 ties to enable such entities to assist low-income women
17 and survivors of domestic violence in obtaining qualified
18 domestic relations orders (as defined in section
19 206(d)(3)(B)(i) of the Employee Retirement Income Secu-
20 rity Act of 1974 (29 U.S.C. 1056(d)(3)(B)(i))) and ensur-
21 ing that those women actually obtain the benefits to which
22 they are entitled through those orders.

23 (b) DEFINITION OF ELIGIBLE ENTITY.—In this sec-
24 tion, the term “eligible entity” means a community-based
25 organization with proven experience and expertise in serv-

1 ing women and the financial and retirement needs of
2 women.

3 (c) APPLICATION.—An eligible entity that desires to
4 receive a grant under this section shall submit an applica-
5 tion to the Secretary of Labor at such time, in such man-
6 ner, and accompanied by such information as the Sec-
7 retary of Labor may require.

8 (d) MINIMUM GRANT AMOUNT.—The Secretary of
9 Labor shall award grants under this section in amounts
10 of not less than \$250,000.

11 (e) USE OF FUNDS.—An eligible entity that receives
12 a grant under this section shall use the grant funds to
13 develop programs to offer help to low-income women or
14 survivors of domestic violence who need assistance in pre-
15 paring, obtaining, and effectuating a qualified domestic re-
16 lations order.

17 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
18 authorized to be appropriated to carry out this section
19 \$100,000,000 for fiscal year 2022 and each succeeding
20 fiscal year.