

Congressional ESOP Policy Priorities

H.R. 2954 - Securing a Strong Retirement Act

Bill sponsor



Rep. Richard Neal
D-MA-1

Background

- The bill aims to increase retirement savings, and amend retirement plan rules to provide greater clarity
- Rep. Neal (D-MA-1) introduced this bill less than 18 months after former President Trump signed the Secure Act of 2019, aimed at strengthening retirement savings

Key provisions



Increases the age at which required minimum distribution start, from 72 to 75



Increases “catch-up” amounts for those aged 62 to 64 – these are sums that those aged 50 or older can put into retirement accounts

Outlook

- This bill has bipartisan support, including from both the chair and ranking member of the House Ways and Means Committee, namely Rep. Neal (D-MA-1) and Rep. Brady (R-TX-8), respectively

Status

H.R. 2954



S. 2348 - Golden-preneurship Act

Bill sponsor



Sen. Tim Scott
R-SC

Background

- This legislation seeks to help senior-owned small businesses
- The pandemic has adversely affected small businesses: 800,000 of them closed for good in 2020, which is 200,000 more than in a normal year

Key provisions



Creates a “Golden Entrepreneurs” training program to help older entrepreneurs increase their market share



Requires the Small Business Administration to track loans and grants it hands to American seniors

Outlook

- This bill has bipartisan support; Sen. Shaheen (D-NH) and Sen. Scott (R-SC) introduced the bill together
- Several groups have endorsed the bill, including the US Chamber of Commerce, the Economic Innovation Group, and the ESOP Association

Status

S. 2348



S.1300/H.R. 4141 - Promotion and Expansion of Private Employee Ownership Act

Bill sponsors



Sen. Benjamin Cardin
D-MD
Rep. Ron Kind
D-WI-3

Background

- This legislation looks to encourage more retirement savings via Employee-Owned Companies
- According to lawmakers, there are roughly 6,500 employee stock ownership plans serving over 14 million people

Key provisions



Encourages owners of S Corporations to sell shares to an ESOP



Gives technical support to those looking to set up an ESOP



Ensures that small firms that become ESOPs keep their SBA certification

Outlook

- The bill has bipartisan support in both the Senate and House
- Sens. Cardin (D-MD) and Portman (R-OH) introduced it in the Senate, Reps. Kind (D-WI-3) and Smith (R-MO-8) did so in the House

Status

S. 1300/H.R. 4141

