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**GRIST****HOUSE PASSES SECURE ACT TO BOLSTER RETIREMENT PLANS**

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The Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 ([HR 1994](#)) has passed the House of Representatives in a 417–3 vote on May 23. As amended by [House Report 116-79](#), the bill would significantly revise numerous retirement plan rules.

**BILL HIGHLIGHTS**

Key changes would provide long-awaited nondiscrimination testing relief for closed defined benefit plans, promote “open” defined contribution (DC) multiple-employer plans, relax auto-enrollment rules and encourage lifetime-income options in DC plans. Other provisions aim to help individuals save more for retirement. For example, the bill would increase the starting age for required distributions from 70-1/2 to 72 and eliminate the ban on individuals contributing to an IRA after age 70-1/2.

The House-passed bill is almost identical to the version approved by the Ways and Means Committee in April (for an overview of that version, see this [GRIST](#)). But the amended bill has a few changes affecting retirement plans: The penalty for failing to file Form 5500 would increase to 10 times the original amount, and 457(b) plans would still have to make distributions at age 70-1/2.

The bill no longer contains a controversial provision expanding Section 529 savings accounts to cover home-schooling expenses. The SECURE Act now heads to the Senate, where the similar Retirement Enhancement Savings Act (RESA, [S 972](#)) sits with the Finance Committee.

**RELATED RESOURCES****Non-Mercer Resources**

- [Estimated Budget Effects of HR 1994](#) (Joint Committee on Taxation, May 22, 2019)
- [House Report 116-79](#), Amending SECURE Act (House, May 20, 2019)
- [HR 1994](#), SECURE Act (Congress, May 16, 2019)

- [Hearing on Challenges in the Retirement System](#) (Senate Finance Committee, May 14, 2019)
- [Present Law and Background Relating to Challenges in the Retirement System](#) (Joint Committee on Taxation, May 10, 2019)
- [S 972](#), RESA (Congress, April 1, 2019)

#### **Mercer Law & Policy Resources**

- [Senate Reintroduces Expansive Retirement Bill](#) (May 20, 2019)
- [Retirement Bills Multiply in Congress](#) (April 15, 2019)
- [Bipartisan Retirement Reforms Pass Key House Panel](#) (April 3, 2019)
- [2019 Legislative and Regulatory Outlook for Employer-Sponsored Retirement Plans](#) (Feb. 5, 2019)

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