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(Original Signature of Member)

116TH CONGRESS  
1ST SESSION

# H. R.

To amend the Internal Revenue Code of 1986 to protect employees in the building and construction industry who are participants in multiemployer plans, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. LUETKEMEYER introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To amend the Internal Revenue Code of 1986 to protect employees in the building and construction industry who are participants in multiemployer 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 “Vested Employee Pen-  
5 sion Benefit Protection Act”.

1 **SEC. 2. MINIMUM AGE FOR DISTRIBUTIONS DURING WORK-**  
2 **ING RETIREMENT.**

3 (a) INTERNAL REVENUE CODE OF 1986.—Section  
4 401(a)(36) of the Internal Revenue Code of 1986 is  
5 amended to read as follows:

6 “(36) DISTRIBUTIONS DURING WORKING RE-  
7 TIREMENT.—

8 “(A) IN GENERAL.—A trust forming part  
9 of a pension plan shall not be treated as failing  
10 to constitute a qualified trust under this section  
11 solely because the plan provides that a distribu-  
12 tion may be made from such trust to an em-  
13 ployee who has attained age 62 and who is not  
14 separated from employment at the time of such  
15 distribution.

16 “(B) CERTAIN EMPLOYEES IN THE BUILD-  
17 ING AND CONSTRUCTION INDUSTRY.—

18 “(i) IN GENERAL.—In order to allow  
19 for unique conditions of employment in the  
20 building and construction industry, sub-  
21 paragraph (A) shall be applied by sub-  
22 stituting ‘age 55’ for ‘age 62’ in the case  
23 of a multiemployer plan described in sec-  
24 tion 4203(b)(1)(B)(i) of the Employee Re-  
25 tirement Income Security Act of 1974,  
26 with respect to individuals who were par-

1                    participants in such plan on or before April  
2                    30, 2013, if—

3                                       “(I) the trust to which subpara-  
4                                       graph (A) applies was in existence be-  
5                                       fore January 1, 1970,

6                                       “(II) before December 31, 2011,  
7                                       at a time when the plan provided that  
8                                       distributions may be made to an em-  
9                                       ployee who has attained age 55 and  
10                                       who is not separated from employ-  
11                                       ment at the time of such distribution,  
12                                       the plan received at least 1 written  
13                                       determination from the Internal Rev-  
14                                       enue Service that the trust to which  
15                                       subparagraph (A) applies constituted  
16                                       a qualified trust under this section,  
17                                       and

18                                       “(III) the plan provides that the  
19                                       benefit accrued on account of service  
20                                       performed after distributions begin  
21                                       under subparagraph (A) (as modified  
22                                       by subparagraph (B) without regard  
23                                       to this subclause) shall be treated and  
24                                       paid as a pension separate from the  
25                                       pension earned before such distribu-

1                   tions begin, and that payment of such  
2                   separate benefit shall not commence  
3                   until the employee attains the plan’s  
4                   normal retirement age.

5                   “(ii) SUSPENSION OF PAYMENTS IF  
6                   PLAN IN ENDANGERED OR CRITICAL STA-  
7                   TUS.—Clause (i) shall not apply to a mul-  
8                   tiemployer plan during the period for  
9                   which the multiemployer plan is in endan-  
10                  gered or critical status (as defined under  
11                  section 432) beginning after the first year  
12                  the plan is in either of such statuses and  
13                  ending with the first plan year for which  
14                  the plan is not in either of such statuses.”.

15                  (b) EMPLOYEE RETIREMENT INCOME SECURITY ACT  
16                  OF 1974.—Section 3(2)(A) of Employee Retirement In-  
17                  come Security Act of 1974 (29 U.S.C. 1002(2)(A)) is  
18                  amended by inserting before the period at the end the fol-  
19                  lowing: “(age 55 in the case of a plan to which section  
20                  401(a)(36)(B) of the Internal Revenue Code of 1986 ap-  
21                  plies)”.

22                  (c) EFFECTIVE DATE.—The amendments made by  
23                  this section shall apply to distributions made before, on,  
24                  or after the date of the enactment of this Act.