

Washington Report
The NAGDCA News – Spring Issue
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NAGDCA's Executive Board hit Capitol Hill in March, aiming to build on our success in last year's tax bill. As I reported in the winter issue, NAGDCA, along with a coalition of other defined contribution retirement plan stakeholders, was able to get all the adverse provisions removed from the legislation which Congress finally sent to the President's desk in late December.

Among the many meetings, the Board was able to sit down with Senator Ben Cardin (D-Md.) and the retirement policy staff of Senator Rob Portman (R-Ohio), two of NAGDCA's champions. Both confirmed that they would like to team up to move a bi-partisan package of retirement improvements, which could include some of NAGDCA's priorities. When this could happen will depend on the crowded congressional election year calendar -- and some other high priority retirement matters which will have to be cleared first.

The first is the Joint Select Committee on the Solvency of Multiemployer Pension Plans. This committee was created by the Bi-Partisan Budget Act which passed in February and is made up of an equal number of senators and representatives from both parties. The committee is charged with crafting legislation to rescue a number of troubled private sector multiemployer pensions by the end of November and will be dissolved at the end of the year.

The second issue is the Retirement Enhancement and Savings Act (S. 2526), or "RESA." This legislation was introduced by Senate Finance Committee Chairman Orrin Hatch (R-Utah) and Ranking Member Ron Wyden (D-Ore.), and is a legislative package of improvements to (mostly) private sector 401(k) plans. An earlier version of RESA was approved unanimously by the committee in 2016, but the clock ran out on the 114th Congress, so Hatch and Wyden have reintroduced it and hope to pass it by unanimous consent in the Senate. The House has not made its intentions clear about moving a counterpart bill. Consensus among observers is that RESA needs to pass before something like a new Portman-Cardin package could move.

While NAGDCA continues to promote its members' ideas to improve governmental defined contribution plans, we also are watching out for any legislation that might be a vehicle for harmful policies like Rothification or plan consolidation. With both the President and the Chairman of the House Ways and Means Committee talking about another round of tax cuts, NAGDCA will be vigilant for any harmful provisions reemerging as part of new legislation.