

An Amendment to the Amendment in the Nature of a Substitute to H.R. 397 was offered by Rep. Rice of South Carolina.

An amendment by Rep. Rice, which would change the funding and benefit rules for plans getting the loans, was defeated by a roll call vote of 17 yeas to 25 nays. The vote was as follows:

<b>Representative</b>	<b>Yea</b>	<b>Nay</b>	<b>Present</b>	<b>Representative</b>	<b>Yea</b>	<b>Nay</b>	<b>Present</b>
MR. NEAL		X		MR. BRADY	X		
MR. LEWIS		X		MR. NUNES	X		
MR. DOGGETT		X		MR. BUCHANAN	X		
MR. THOMPSON		X		MR. SMITH	X		
MR. LARSON		X		MR. MARCHANT	X		
MR. BLUMENAUER		X		MR. REED	X		
MR. KIND		X		MR. KELLY	X		
MR. PASCRELL		X		MR. HOLDING	X		
MR. DAVIS		X		MR. SMITH	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU (CA)		X		MR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		MR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X					
MR. EVANS		X					
MR. SCHNEIDER		X					
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					

AMENDMENT

OFFERED BY Mr. Rice

Add at the end the following:

1 **SEC. 9. VALUATION AND ACTUARIAL RULES FOR MULTIEM-**  
2 **PLOYER PLANS WITH LOAN.**

3 (a) FAIR MARKET VALUE ASSET VALUATION.—Sec-  
4 tion 431(c)(2) of the Internal Revenue Code of 1986 is  
5 amended by adding at the end the following: “In the case  
6 of a plan with an outstanding loan under section 4 of the  
7 Rehabilitation for Multiemployer Pensions Act of 2019,  
8 the value of plan assets shall be determined under rules  
9 similar to the rules of section 430(g)(3)”.

10 (b) INTEREST RATES.—

11 (1) IN GENERAL.—Section 431(c)(6)(D)(iii) of  
12 such Code is amended by adding at the end the fol-  
13 lowing “In the case of a plan with an outstanding  
14 loan under section 4 of the Rehabilitation for Multi-  
15 employer Pensions Act of 2019, the rate of interest  
16 prescribed by this clause shall be determined under  
17 rules similar to the rules of section 430(h)(2)”.

18 (c) SEVEN-YEAR AMORTIZATION.—Section 431(b)(3)  
19 of such Code is amended by adding at the end the fol-  
20 lowing flush matter:

1 “In the case of a plan with an outstanding loan  
2 under section 4 of the Rehabilitation for Multiem-  
3 ployer Pensions Act of 2019, clauses (i), (ii), and  
4 (iii) of subparagraph (B) shall be applied by sub-  
5 stituting ‘7 plan years’ for ‘15 plan years’ each place  
6 it appears.”.

7 (d) EFFECTIVE DATE.—The amendments made by  
8 this section shall apply to plan years beginning after De-  
9 cember 31, 2021.

10 **SEC. 10. LIMITATION ON BENEFIT ACCRUALS FOR CERTAIN**  
11 **MULTIEMPLOYER PLANS WITH SEVERE**  
12 **FUNDING SHORTFALL OR FAILURE TO SAT-**  
13 **ISFY MINIMUM FUNDING STANDARD.**

14 (a) IN GENERAL.—Section 436(e) of the Internal  
15 Revenue Code of 1986 is amended—

16 (1) by redesignating paragraphs (1) and (2) as  
17 subparagraphs (A) and (B), respectively, and by  
18 moving such subparagraphs (as so redesignated) 2  
19 ems to the right,

20 (2) by striking “FUNDING SHORTFALLS.—”  
21 and inserting the following: “FUNDING SHORT-  
22 FALLS.—

23 “(1) SINGLE EMPLOYER PLANS.—”, and

24 (3) by adding at the end the following new  
25 paragraph:

1           “(2) CERTAIN MULTIEMPLOYER PLANS.—

2                   “(A) IN GENERAL.—A defined benefit plan  
3           which is a multiemployer plan that has an out-  
4           standing loan under section 4 of the Rehabilita-  
5           tion for Multiemployer Pensions Act of 2019  
6           shall provide that, in any case in which—

7                           “(i) the plan’s funded percentage is  
8                           less than 60 percent as of the valuation  
9                           date for the plan year, or

10                           “(ii) the plan has an accumulated  
11                           funding deficiency under section 431 at the  
12                           end of the plan year,

13           benefit accruals under the plan shall cease as of  
14           the valuation date for the plan year, or for plan  
15           years following the plan year of the funding de-  
16           ficiency, as the case may be.

17                   “(B) FUNDED PERCENTAGE.—For pur-  
18           poses of this paragraph, the term ‘funded per-  
19           centage’ has the meaning given such term by  
20           section 432(j)(2) (except that the plan’s assets  
21           and liabilities shall be determined under the  
22           rules of section 4971(i)(4)).

23                   “(C) EXEMPTION.—Subparagraph (A)  
24           shall cease to apply with respect to any plan  
25           year, effective as of the first day of the plan

1           year, upon payment by the employers of con-  
2           tributions (in addition to payments sufficient to  
3           ensure the plan does not have an accumulated  
4           funding deficiency under section 431 for the  
5           plan year) equal to an amount sufficient to re-  
6           sult in a funded percentage of 60 percent.”.

7           (b) CONFORMING AMENDMENTS.—

8           (1) The heading for subpart B of part III of  
9           subchapter D of chapter 1 of such Code is amended  
10          by striking “**Under Single-Employer Plans**”.

11          (2) The heading for section 436 of such Code  
12          is amended by striking “**UNDER SINGLE-EM-**  
13          **PLOYER PLANS**”.

14          (3) Section 436(e)(1)(B) of such Code (as re-  
15          designated by this Act) is amended by striking  
16          “Paragraph (1)” and inserting “Subparagraph (A)”.

17          (c) EFFECTIVE DATE.—The amendments made by  
18          this section shall apply to plan years beginning after De-  
19          cember 31, 2021, except that for purposes of determining  
20          the accumulated funding deficiency of a multiemployer  
21          plan for any plan year beginning thereafter, the funding  
22          deficiencies for all plan years preceding such first plan  
23          year beginning thereafter shall be deemed to be zero.

