

AMENDMENT TO THE AMERICAN RESCUE PLAN
ACT OF 2021
OFFERED BY MR. RICE OF SOUTH CAROLINA

At the end of subtitle H, add the following:

1 **SEC. 9709. ADDITIONAL FUNDING RULES FOR CERTAIN**
2 **MULTIEMPLOYER PLANS.**

3 (a) AMENDMENTS TO INTERNAL REVENUE CODE OF
4 1986.—

5 (1) NO BENEFIT INCREASES IN CASE OF EN-
6 DANGERED, CRITICAL, AND CRITICAL AND DECLIN-
7 ING PLANS.—Section 432 of the Internal Revenue
8 Code of 1986 is amended by redesignating sub-
9 section (j) as subsection (k) and by inserting after
10 subsection (i) the following new subsection:

11 “(j) NO BENEFIT INCREASES IN CASE OF ENDAN-
12 GERED, CRITICAL, AND CRITICAL AND DECLINING
13 PLANS.—

14 “(1) IN GENERAL.—In the case of a multiem-
15 ployer plan which is in endangered status, critical
16 status, or critical and declining status, the plan
17 sponsor of such plan shall not adopt any plan
18 amendment which increases plan liabilities (as deter-
19 mined as of the date of the adoption of the amend-

1 ment) due to any increase in benefits, any change in
2 the accrual rate of benefits, or any change in the
3 rate at which benefits become nonforfeitable.

4 “(2) EXCEPTIONS.—Paragraph (1) shall not
5 apply to any increase or change in benefits that is
6 required by law or is a de minimis change.”.

7 (2) INTEREST RATES FOR ALL MULTIEMPLOYER
8 PLANS.—Section 431(c)(3) of such Code is amended
9 by adding at the end the following flush sentence:
10 “For purposes of determining the plan liabilities of
11 a plan, the interest rate used in determining the
12 present value of the benefits of the plan shall be de-
13 termined under rules similar to the rules of section
14 430(h)(2).”.

15 (b) AMENDMENTS TO EMPLOYEE RETIREMENT IN-
16 COME SECURITY ACT OF 1974.—

17 (1) NO BENEFIT INCREASES IN CASE OF EN-
18 DANGERED, CRITICAL, AND CRITICAL AND DECLIN-
19 ING PLANS.—Section 305 of the Employee Retire-
20 ment Income Security Act of 1974 (29 U.S.C. 1085)
21 is amended by redesignating subsection (j) as sub-
22 section (k) and by inserting after subsection (i) the
23 following new subsection:

1 “(j) NO BENEFIT INCREASES IN CASE OF ENDAN-
2 GERED, CRITICAL, AND CRITICAL AND DECLINING
3 PLANS.—

4 “(1) IN GENERAL.—In the case of a multiem-
5 ployer plan which is in endangered status, critical
6 status, or critical and declining status, the plan
7 sponsor of such plan shall not adopt any plan
8 amendment which increases plan liabilities (as deter-
9 mined as of the date of the adoption of the amend-
10 ment) due to any increase in benefits, any change in
11 the accrual rate of benefits, or any change in the
12 rate at which benefits become nonforfeitable.

13 “(2) EXCEPTIONS.—Paragraph (1) shall not
14 apply to any increase or change in benefits that is
15 required by law or is a de minimis change.”.

16 “(2) INTEREST RATES FOR ALL MULTIEMPLOYER
17 PLANS.—Section 304(e)(3) of such Act (29 U.S.C.
18 1084(e)(3)) is amended by adding at the end the fol-
19 lowing flush sentence:

20 “‘For purposes of determining the plan liabilities of
21 a plan, the interest rate used in determining the
22 present value of the benefits of the plan shall be de-
23 termined under rules similar to the rules of section
24 303(h)(2).’”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to plan years beginning after De-
3 cember 31, 2021.

