



SECTION BY SECTION

House Committee on Education and Labor

Chairman Robert C. "Bobby" Scott

Protecting America's Retirement Security Act (H.R. 7310)

Section 1. Short Title; Table of Contents

Section 2. Defined Contribution Plan Fee Disclosure Improvements

This section, which is based on the bipartisan H.R. 7284, the *Informed Savers Act* (Reps. Wild and Letlow), requires DOL to review the current fee disclosure regulations and explore how such regulations can be improved to enhance participants' understanding of fees and expenses as well as the cumulative effect of fees and expenses on retirement savings over time.

Section 3. Personal Finance Education Portal

This section, which is based on the bipartisan H.R. 5779, the *Financial Fitness Act* (Reps. Leger-Fernandez and Spartz), requires the Secretary of Education to create a financial resources portal on a centralized website of the Department. The portal shall include core financial literacy competencies, such as earning, saving, investing, spending, and borrowing. This spans the concept of compound interest as it applies to savings and retirement savings with information about the different types of retirement savings accounts and managing student loan repayments.

Section 4. Increasing Spousal Protection Under Defined Contribution Plans

This section, which is based on H.R. 4678, the *Women's Retirement Protection Act* (Rep. Underwood), would extend the spousal protections that are currently available for traditional defined benefit (DB) plans to defined contribution (DC) plans, like a 401(k).

Section 5. Automatic Reenrollment

This section, which is based on H.R. 6782, the *Auto Reenroll Act of 2022* (Rep. Manning), requires plans to auto reenroll eligible employees at least once every three years. Employees could still opt out if they do not wish to participate in their employer's retirement savings plan.

Section 6. Employee Ownership And Participation Initiative

This section, which is based on H.R. 6024, the *WORK Act* (Reps. Courtney and Pocan), creates an Employee Ownership and Participation Initiative within DOL that would be authorized to award grants for employee ownership programs nationwide. These grants would fund initiatives, including outreach about employee ownership and business succession, technical assistance to those seeking to start new employee-owned businesses; and training to support employee participation. A total of \$50 million is authorized over a five-year period for these grants.

Section 7. Refund To Rainy Day Savings Program

This section, which is based on the bipartisan H.R. 4986, the *Refund to Rainy Day Savings Act* (Reps. Watson Coleman and Hill), is intended to encourage more people to build emergency savings. Tax filers receiving a direct

deposit tax refund will be allowed to defer 20% of their refund by opting into the Rainy Day Savings Program on their 1040 tax form. These savings will accumulate interest in a Treasury-held account before being transferred to the tax filer's direct deposit account six months later. This section also includes a five-year reauthorization of the *Assets for Independence (AFI) Act*, which is a grant program sponsored by the Department of Health and Human Services (HHS) to help low-income families build assets through savings accounts. This section authorizes \$25 million for the *AFI Act* each year of its five-year reauthorization.