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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend the Employee Retirement Income Security Act of 1974 to
strengthen accountability and protect plan assets.

IN THE HOUSE OF REPRESENTATIVES

Mr. SCOTT of Virginia introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Employee Retirement Income Security Act
of 1974 to strengthen accountability and protect plan assets.

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 “Protecting Workers’
5 Benefits Act”.

6 **SEC. 2. PROTECTING WORKERS’ BENEFITS.**

7 Section 502 of the Employee Retirement Income Se-
8 curity Act of 1974 (29 U.S.C. 1132) is amended—

1 (1) in subsection (a)(2), by inserting “plan,”
2 after “or by a”; and

3 (2) in subsection (d), by adding at the end the
4 following:

5 “(3)(A) A participant or beneficiary of a plan may
6 bring an action as an assignee for such plan pursuant to
7 section 502(a)(2) for appropriate relief pursuant to sec-
8 tion 409. Such an action shall be brought on behalf of
9 the plan, and the participant or beneficiary must serve a
10 copy of the complaint on such plan.

11 “(B) Any amount recovered in an action under this
12 paragraph in which the plan prevails or substantially pre-
13 vails, or in which a settlement is reached, shall be treated
14 as a plan asset.

15 “(C) Subject to subparagraph (D), a participant or
16 beneficiary who brings an action on behalf of a plan as
17 described in subparagraph (A) in which the plan prevails
18 or substantially prevails, or in which a settlement is
19 reached, shall—

20 “(i) be treated as having an equitable interest
21 in the disposition of plan assets; and

22 “(ii) receive—

23 “(I) not less than 0.5 percent, but not
24 more than 1 percent, of the amount recovered

1 through the action or the settlement of the ac-
2 tion; and

3 “(II) such other relief as the court may
4 award, such as costs and expenses incurred in
5 connection with such action.

6 “(D) If more than one participant or beneficiary
7 bring an action as described in subparagraph (A) in which
8 the plan prevails or substantially prevails, or in which a
9 settlement is reached, then the court shall distribute the
10 amount described in subparagraph (C)(ii) equitably such
11 that a portion of such amount is awarded to—

12 “(i) in the case of such an action that is not
13 brought as a class action, each plaintiff; and

14 “(ii) in the case of such an action that is
15 brought as a class action, each named plaintiff.

16 “(E) A participant or beneficiary of a plan bringing
17 an action in relation to such plan as described in subpara-
18 graph (A) shall, if an action is already pending involving
19 substantially the same allegations, promptly move to con-
20 solidate such actions as appropriate.”.