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## **Legislation Introduced to Preserve Retirement Security for Church Employees**

*Glenview, IL*—The Church Alliance applauded Senators Ben Cardin (D-MD), Mike Crapo (R-ID), and Pat Roberts (R-KS) and Representatives Peter Roskam (R-IL) and Ron Kind (D-WI) on the introduction of bipartisan, bicameral legislation to ensure that all church-affiliated organizations have access to church retirement income accounts known as Internal Revenue Code § 403(b)(9) plans.

“The Church Alliance thanks Congressman Roskam for his work in helping resolve this open question affecting church-affiliated nonprofit employers in Illinois,” said Barbara Boigegrain, Chairperson of the Church Alliance and CEO of Wespath Benefits and Investments, “and we are grateful to our champions in the House and Senate who are dedicated to removing barriers to the retirement security of workers who serve at mission agencies of the Church Alliance’s 37 denominations.”

S. 674/H.R. 2341 would resolve recent questions by the IRS about whether certain church-affiliated organizations are eligible to participate in §403(b)(9) plans. These organizations include children’s homes, nursing homes, retirement centers, colleges and universities, social service organizations, and other religious nonprofit entities that are critical to advancing the mission of the denomination with which they are affiliated.

The legislation reaffirms current law and more than 30 years of practice to ensure that all church-affiliated organizations have access to § 403(b)(9) plans. §403(b)(9) plans provide a wide range of advantages to their beneficiaries, particularly the availability of investments in non-registered funds and collective investment trusts that may reflect the religious beliefs of the associated denomination. In addition, IRS regulations permit plan sponsors to “self-annuitize” benefits, providing valuable flexibility and lifetime income stability.

David N. Larson, president and CEO of Lutheran Social Services of Wisconsin & Upper MI Inc. explained, “All across Wisconsin, people in need rely on the programs and services offered by Lutheran Social Services. This legislation will ensure that our employees can continue to carry out this important work, secure in their ability to save for retirement.” “We appreciate the leadership of home state Rep. Kind, as well as Rep. Roskam, in leading this effort, the benefits of which will resonate in communities throughout Wisconsin and nationwide,” Larson added.

The Church Alliance respectfully urges Congress to enact this critical legislation as soon as possible, making it easier for people of faith to save for retirement.

### **About the Church Alliance**

*The Church Alliance is a coalition of the chief executive officers of 37 church benefit programs. It includes mainline Protestant denominations, two branches of Judaism, and Catholic dioceses, schools and institutions. The benefit programs provide retirement and health benefits to more than 1 million clergy, lay workers, and their family members.*

*The Church Alliance was formed in 1975 as the "Church Alliance for Clarification of ERISA" to address the problems presented for established church plans by the Employment Retirement Income Security Act of 1974 (ERISA).*

*The Church Alliance advocated for changes to the church plan definitions in ERISA and the Code. As a result of these efforts, Congress revised the definition of "church plan" in both ERISA and the Code when it passed the Multiemployer Pension Plan Amendments Act of 1980 (MPPAA) to make clear that a church plan can provide retirement and welfare benefits to employees of all church agencies.*

*The Church Alliance continues to ensure that benefit-related legislative and regulatory initiatives fully address the unique nature of church plans. In addition, in some cases the Church Alliance has acted in a "self-regulatory" manner by advocating for changes that actually limited the tax rules and regulations that govern church benefit plans and clergy participants. As a result, over the years, the Church Alliance has been involved with numerous pieces of legislation (and legislative proposals) that directly impact church benefit plans and programs.*

For more information: [church-alliance.org](http://church-alliance.org)