

119TH CONGRESS
1ST SESSION

S. _____

To modify the eligibility requirements and account contribution maximum for pension-linked emergency savings accounts, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. YOUNG (for himself and Mr. BOOKER) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To modify the eligibility requirements and account contribution maximum for pension-linked emergency savings accounts, and for other purposes.

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 “Emergency Savings
5 Enhancement Act of 2025”.

6 **SEC. 2. AMENDMENTS TO THE EMPLOYEE RETIREMENT IN-**
7 **COME SECURITY ACT OF 1974.**

8 Section 801 of the Employee Retirement Income Se-
9 curity Act of 1974 (29 U.S.C. 1193) is amended—

1 (1) by striking subsection (b) and inserting the
2 following:

3 “(b) ELIGIBLE PARTICIPANT.—For purposes of this
4 part, the term ‘eligible participant’, with regard to an indi-
5 vidual account plan, means an individual who meets any
6 age, service, and other eligibility requirements of the
7 plan.”; and

8 (2) in subsection (d)—

9 (A) in paragraph (1)(A)(i), by striking
10 “\$2,500” and inserting “\$5,000”; and

11 (B) in paragraph (3)(A)—

12 (i) in clause (vii), by adding “and” at
13 the end;

14 (ii) in clause (viii), by striking “; and”
15 and inserting a period; and

16 (iii) by striking clause (ix).

17 **SEC. 3. AMENDMENTS TO THE INTERNAL REVENUE CODE**
18 **OF 1986.**

19 (a) ELIGIBLE PARTICIPANT.—Paragraph (2) of sec-
20 tion 402A(e) of the Internal Revenue Code of 1986 is
21 amended to read as follows:

22 “(2) ELIGIBLE PARTICIPANT.—For purposes of
23 this subsection, the term “eligible participant”, with
24 regard to a defined contribution plan, means an in-
25 dividual, without regard to whether the individual is

1 otherwise a participant in such plan, who meets any
2 age, service, and other eligibility requirements of the
3 plan.”.

4 (b) CONTRIBUTION LIMITATION.—Clause (i) of sec-
5 tion 402A(e)(3)(A) of the Internal Revenue Code of 1986
6 is amended by striking “\$2,500” and inserting “\$5,000”.

7 (c) CONFORMING AMENDMENT.—Subparagraph (A)
8 of section 402A(e)(5) of the Internal Revenue Code of
9 1986 is amended by adding “and” at the end of clause
10 (vii), by striking “; and” at the end of clause (viii) and
11 inserting a period, and by striking clause (ix).

12 **SEC. 4. EFFECTIVE DATE.**

13 The amendments made by sections 2 and 3 shall
14 apply to taxable years beginning after December 31, 2026.