

AMENDMENT TO H.R. 3962**OFFERED BY MR. REICHERT OF WASHINGTON**

Insert after section 414 (relating to improper steering) the following new section (and redesignate the subsequent sections and conform the table of contents accordingly):

1 SEC. 415. HARDSHIP EXEMPTION.

2 (a) IN GENERAL.—If an employer attests to the Sec-
3 retary that complying with this part would create a finan-
4 cial hardship during any period which would result in—

5 (1) the layoff of employees,

6 (2) reductions in wages for current employees,

7 or

8 (3) the decision to not hire future employees,

9 then the employer shall be deemed to meet the require-
10 ments of this part.

11 (b) DOCUMENTATION REQUIREMENT.—The Sec-
12 retary shall require reasonable documentation to verify the
13 attestation described in subsection (a) if the Secretary has
14 evidence that such attestation is fraudulent.

Page 279, line 6, strike “section 415(a)” and insert
“section 416(a)”.

Page 279, line 8, insert “, in addition to the exemption under section 415,” after “hardship exemption”.

Page 279, line 18, strike “hardship waiver” and insert “hardship exemption, in addition to the exemption under section 415,”.

Page 279, beginning on line 23, strike “a partial or complete employee hardship waiver” and insert “an employee hardship exemption in addition to the exemption under section 415”.

Page 280, line 1, strike “waiver” and insert “exemption”.

At the end of subsection (c) of section 3111 of the Internal Revenue Code of 1986, as added by section 512, add the following new paragraph:

- 1 (6) HARDSHIP EXEMPTION.—
2 (A) IN GENERAL.—If an employer attests
3 to the Secretary that paying the tax imposed
4 under this subsection would create a financial
5 hardship during any period which would result
6 in—
7 (i) the layoff of employees,
8 (ii) reductions in wages for current
9 employees, or

1 (iii) the decision to not hire future
2 employees,
3 then no tax shall be imposed under this sub-
4 section with respect to such employer for such
5 period.

6 (B) DOCUMENTATION REQUIREMENT.—
7 The Secretary shall require reasonable docu-
8 mentation to verify the attestation described in
9 subparagraph (A) if the Secretary has evidence
10 that such attestation is fraudulent.

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