

1 **SEC. 623. INCREASE IN PENALTIES FOR COERCIVE INTER-**
2 **ERENCE WITH EXERCISE OF ERISA RIGHTS.**

3 (a) IN GENERAL.—Section 511 of the Employment
4 Retirement Income Security Act of 1974 (29 U.S.C. 1141)
5 is amended—

6 (1) by striking “\$10,000” and inserting
7 “\$100,000”, and

8 (2) by striking “one year” and inserting “10
9 years”.

10 (b) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to violations occurring on and after
12 the date of the enactment of this Act.

13 **SEC. 624. TREATMENT OF INVESTMENT OF ASSETS BY PLAN**
14 **WHERE PARTICIPANT FAILS TO EXERCISE IN-**
15 **VESTMENT ELECTION.**

16 (a) IN GENERAL.—Section 404(c) of the Employee
17 Retirement Income Security Act of 1974 (29 U.S.C.
18 1104(c)), as amended by section 622, is amended by add-
19 ing at the end the following new paragraph:

20 “(5) DEFAULT INVESTMENT ARRANGE-
21 MENTS.—

22 “(A) IN GENERAL.—For purposes of para-
23 graph (1), a participant in an individual ac-
24 count plan meeting the notice requirements of
25 subparagraph (B) shall be treated as exercising
26 control over the assets in the account with re-