

Suspend the Rules and Pass the Bill, H.R. 4193, With an Amendment

(The amendment strikes all after the enacting clause and inserts a new text)

113TH CONGRESS
2^D SESSION

H. R. 4193

To amend title 5, United States Code, to change the default investment fund under the Thrift Savings Plan, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 11, 2014

Mr. ISSA (for himself, Mr. CUMMINGS, Mr. WOODALL, Mr. LYNCH, Mr. CONNOLLY, and Mr. FARENTHOLD) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To amend title 5, United States Code, to change the default investment fund under the Thrift Savings Plan, 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 “Smart Savings Act”.

1 **SEC. 2. THRIFT SAVINGS PLAN DEFAULT INVESTMENT**
2 **FUND.**

3 (a) IN GENERAL.—Section 8438(c)(2) of title 5,
4 United States Code, is amended to read as follows:

5 “(2)(A) Consistent with the requirements of subpara-
6 graph (B), if an election has not been made with respect
7 to any sums available for investment in the Thrift Savings
8 Fund, the Executive Director shall invest such sums in
9 an age-appropriate target date asset allocation investment
10 fund, as determined by the Executive Director. Such in-
11 vestment fund shall consist of any of the funds described
12 in subsection (b).

13 “(B) If an election has not been made by an eligible
14 member under section 8440e with respect to any sums
15 available for investment in such member’s Thrift Savings
16 Fund account, the Executive Director shall invest such
17 sums in the Government Securities Investment Fund.”.

18 (b) ACKNOWLEDGMENT OF RISK.—Section 8439(d)
19 of title 5, United States Code, is amended—

20 (1) by inserting “(1)” before “Each employee”;
21 and

22 (2) by adding at the end the following new
23 paragraph:

24 “(2) Prior to enrollment in the Thrift Savings Fund,
25 or as soon as practicable thereafter, an individual who is
26 automatically enrolled pursuant to section 8432(b)(2)

1 shall receive the risk acknowledgment information de-
2 scribed under paragraph (1).”.

3 (c) TECHNICAL AND CONFORMING AMENDMENT.—
4 Section 8472(g)(2) of title 5, United States Code, is
5 amended by striking “required by section 8438 of this title
6 to be invested in securities of the Government” and insert-
7 ing “under section 8438(c)(2)(B)”.

8 (d) GUIDANCE.—Not later than 9 months after the
9 date of enactment of this Act, the Executive Director (as
10 that term is defined under section 8401(13) of title 5,
11 United States Code) shall develop and issue guidance im-
12 plementing the requirements of this Act.

13 (e) EFFECTIVE DATE AND APPLICATION.—The
14 amendments made by subsections (a) and (b) shall—

15 (1) take effect on the date that the Executive
16 Director issues guidance under subsection (d); and

17 (2) apply to individuals enrolled in the Thrift
18 Savings Plan on or after such date.

19 **SEC. 3. CLARIFICATION OF FIDUCIARY PROTECTIONS.**

20 Section 8477(e)(C)(ii) of title 5, United States Code,
21 is amended—

22 (1) in subclause (II)—

23 (A) by inserting “or beneficiary” after
24 “participant”;

1 (B) by inserting “or option” after “fund”;
2 and
3 (2) in subclause (III)—
4 (A) by inserting “or beneficiary” after
5 “participant”; and
6 (B) by inserting “or beneficiaries’” after
7 “participants”.