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(Original Signature of Member)

113TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

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

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IN THE HOUSE OF REPRESENTATIVES

Mr. ISSA introduced the following bill; which was referred to the Committee  
on \_\_\_\_\_  
\_\_\_\_\_

**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”.

5       **SEC. 2. THRIFT SAVINGS PLAN DEFAULT INVESTMENT**  
6               **FUND.**

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

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

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

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

16               (1) by inserting “(1)” before “Each employee”;  
17       and

18               (2) by adding at the end the following new  
19 paragraph:

20       “(2) Prior to enrollment in the Thrift Savings Plan,  
21 an individual covered by section 8438(c)(2)(A) shall sign  
22 the risk acknowledgment described under paragraph (1).”.

23       (c) TECHNICAL AND CONFORMING AMENDMENT.—  
24 Section 8472(g)(2) of title 5, United States Code, is  
25 amended by striking “required by section 8438 of this title

1 to be invested in securities of the Government” and insert-  
2 ing “under section 8438(c)(2)(B)”.

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

8 (f) EFFECTIVE DATE AND APPLICATION.—The  
9 amendments made by subsections (a) and (b) shall—

10 (1) take effect on the date that the Executive  
11 Director issues guidance under subsection (e); and

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