

Smart Savings Act

[Public Law 113–255]

[This law has not been amended]

【Currency: This publication is a compilation of the text of Public Law 113-255. It was last amended by the public law listed in the As Amended Through note above and below at the bottom of each page of the pdf version and reflects current law through the date of the enactment of the public law listed at <https://www.govinfo.gov/app/collection/comps/>】

【Note: While this publication does not represent an official version of any Federal statute, substantial efforts have been made to ensure the accuracy of its contents. The official version of Federal law is found in the United States Statutes at Large and in the United States Code. The legal effect to be given to the Statutes at Large and the United States Code is established by statute (1 U.S.C. 112, 204).】

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. [5 U.S.C. 101 note] SHORT TITLE.

This Act may be cited as the “Smart Savings Act”.

SEC. 2. THRIFT SAVINGS PLAN DEFAULT INVESTMENT FUND.

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

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

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

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

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

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

“(2) Prior to enrollment in the Thrift Savings Fund, or as soon as practicable thereafter, an individual who is automatically enrolled pursuant to section 8432(b)(2) shall receive the risk acknowledgment information described under paragraph (1).”.

(c) TECHNICAL AND CONFORMING AMENDMENT.—Section 8472(g)(2) of title 5, United States Code, is amended by striking

“required by section 8438 of this title to be invested in securities of the Government” and inserting “under section 8438(c)(2)(B)”.

(d) **[5 U.S.C. 8438 note]** GUIDANCE.—Not later than 9 months after the date of enactment of this Act, the Executive Director (as that term is defined under section 8401(13) of title 5, United States Code) shall develop and issue guidance implementing the requirements of this Act.

(e) **[5 U.S.C. 8438 note]** EFFECTIVE DATE AND APPLICATION.—The amendments made by subsections (a) and (b) shall—

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

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

SEC. 3. CLARIFICATION OF FIDUCIARY PROTECTIONS.

Section 8477(e)(1)(C)(ii) of title 5, United States Code, is amended—

(1) in subclause (II)—

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

and

(B) by inserting “or option” after “fund”; and

(2) in subclause (III)—

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

and

(B) by inserting “or beneficiaries’ ” after “participants’

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