

116TH CONGRESS  
2D SESSION

# H. R. 8660

To direct the Secretary of Labor to modify regulations to allow the use of performance benchmarks in the case of designated investment alternatives, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 23, 2020

Mr. EVANS introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To direct the Secretary of Labor to modify regulations to allow the use of performance benchmarks in the case of designated investment alternatives, 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. PERFORMANCE BENCHMARKS FOR ASSET AL-**  
4 **LOCATION FUNDS.**

5 (a) IN GENERAL.—Not later than 6 months after the  
6 date of the enactment of this Act, the Secretary of Labor  
7 (or the Secretary’s delegate) shall modify the regulations  
8 under section 404 of the Employee Retirement Income Se-

1 curity Act of 1974 (29 U.S.C. 1104) to provide that, in  
2 the case of a designated investment alternative which con-  
3 tains a mix of asset classes, a plan administrator may,  
4 but is not required to, use a benchmark which is a blend  
5 of different broad-based securities market indices if—

6 (1) the blend is reasonably representative of the  
7 asset class holdings of the designated investment al-  
8 ternative;

9 (2) for purposes of determining the blend’s re-  
10 turns for 1-, 5-, and 10-calendar-year periods (or for  
11 the life of the alternative, if shorter), the blend is  
12 modified at least once per year to reflect changes in  
13 the asset class holdings of the designated investment  
14 alternative;

15 (3) the blend is furnished to participants and  
16 beneficiaries in a manner that is reasonably designed  
17 to be understandable and helpful; and

18 (4) each securities market index which is used  
19 for an associated asset class would separately satisfy  
20 the requirements of such regulations for such asset  
21 class.

22 (b) STUDY.—Not later than December 31, 2021, the  
23 Secretary of Labor (or the Secretary’s delegate) shall de-  
24 liver a report to the Committees on Ways and Means and  
25 Education and Labor of the House of Representatives and

1 the Committees on Finance and Health, Education,  
2 Labor, and Pensions of the Senate regarding the effective-  
3 ness of the benchmarking requirements under section  
4 2550.404a–5 of title 29, Code of Federal Regulations.

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