

SUBSTITUTE AMENDMENT TO THE AMENDMENT
OFFERED BY MR. PRICE OF GEORGIA
OFFERED BY MR. ANDREWS OF NEW JERSEY

Page 26, strike line 8 and all that follows through line 24 and insert the following:

1 **SEC. 3. MINIMUM INVESTMENT OPTION REQUIREMENT**
2 **FOR INDIVIDUAL ACCOUNT PLANS.**

3 (a) IN GENERAL.—Section 404(c) of the Employee
4 Retirement Income Security Act of 1974 (29 U.S.C.
5 1104(c)) is amended by adding at the end the following
6 new paragraph:

7 “(6) MINIMUM INVESTMENT OPTION REQUIRE-
8 MENT FOR INDIVIDUAL ACCOUNT PLANS.—Para-
9 graph (1)(A)(ii) shall not apply in connection with
10 any individual account plan which permits a partici-
11 pant or beneficiary to exercise control over the as-
12 sets in the account of the participant or beneficiary
13 unless the plan includes at least one investment op-
14 tion—

15 “(A) which consists of an appropriate
16 broad-based securities market index fund (or a
17 combination of 2 or more such funds), and

1 which (in the aggregate) is diversified so as to
2 minimize the risk of large losses, and

3 “(B) which offers a combination of histor-
4 ical returns, risk, and charges (within the
5 meaning of section 111(e)(1)) that is likely to
6 meet retirement income needs at adequate lev-
7 els of contribution.”.

8 (b) CONFORMING AMENDMENT.—Section
9 404(c)(1)(A)(ii) of such Act (29 U.S.C. 1104(c)(1)(A)(ii))
10 is amended by inserting “except as provided in section
11 404(c)(6) and” after “exercise of control,”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply with respect to plan years begin-
14 ning after one year after the date of the enactment of this
15 Act.

