

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R.3185  
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,

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, and

8           “(C) which is described in the terms of the  
9           plan as offered without any endorsement of the  
10          Government or the plan sponsor.”.

11          (b)       CONFORMING        AMENDMENT.—Section  
12   404(c)(1)(A)(ii) of such Act (29 U.S.C. 1104(c)(1)(A)(ii))  
13   is amended by inserting “except as provided in section  
14   404(c)(6) and” after “exercise of control,”.

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

