

111TH CONGRESS
1ST SESSION

H. R. 1420

To amend title 5, United States Code, to provide for the establishment of a precious metals investment option in the Thrift Savings Fund.

IN THE HOUSE OF REPRESENTATIVES

MARCH 10, 2009

Mr. PAUL (for himself, Mr. BURTON of Indiana, Mr. JONES, and Mr. BARTLETT) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To amend title 5, United States Code, to provide for the establishment of a precious metals investment option in the Thrift Savings Fund.

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 “Thrift Savings Fund
5 Improvement Act”.

6 **SEC. 2. PRECIOUS METALS INVESTMENT FUND.**

7 (a) **FUND DEFINED.**—Section 8438(a) of title 5,
8 United States Code, is amended—

1 (1) in paragraph (9), by striking “and” at the
2 end;

3 (2) in paragraph (10), by striking the period
4 and inserting “; and”; and

5 (3) by adding at the end the following:

6 “(11) the term ‘Precious Metals Investment
7 Fund’ means the Precious Metals Investment Fund
8 established under subsection (b)(1)(F).”.

9 (b) ESTABLISHMENT.—

10 (1) IN GENERAL.—Section 8438(b)(1) of title
11 5, United States Code, is amended—

12 (A) in subparagraph (D), by striking
13 “and” at the end;

14 (B) in subparagraph (E), by striking the
15 period and inserting “; and”; and

16 (C) by adding at the end the following:

17 “(F) a Precious Metals Investment Fund
18 as provided in paragraph (5).”.

19 (2) FUND REQUIREMENTS.—Section 8438(b) of
20 title 5, United States Code, is amended by adding
21 at the end the following:

22 “(5)(A) The Board shall establish a Precious Metals
23 Investment Fund.

24 “(B) Contributions to the Precious Metals Invest-
25 ment Fund shall be invested in physical gold, silver, or

1 platinum bullion (rather than any mining company shares,
2 certificates, derivatives, or futures options), and any bul-
3 lion so acquired shall constitute the assets of the Precious
4 Metals Investment Fund and shall be stored in a vault
5 in a federally chartered or State chartered bank. Each
6 share in the Precious Metals Investment Fund shall rep-
7 resent a direct investment in the precious metal itself.”.

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

10 (1) by striking “or the Small Capitalization
11 Stock Index Investment Fund,” and inserting “the
12 Small Capitalization Stock Index Investment Fund,
13 or the Precious Metals Investment Fund,”; and

14 (2) by striking “and (10),” and inserting “(10),
15 and (11),”.

16 **SEC. 3. EFFECTIVE DATE; DEFINITIONS.**

17 (a) EFFECTIVE DATE.—The Federal Retirement
18 Thrift Investment Board—

19 (1) shall study the operation of existing pre-
20 cious metals funds to determine the best practices of
21 those funds; and

22 (2) not later than 1 year after the date of the
23 enactment of this Act—

24 (A) shall establish the Precious Metals In-
25 vestment Fund, incorporating the best practices

1 referred to in paragraph (1) to such extent and
2 in such manner as the Board shall determine;
3 and

4 (B) shall make the Precious Metals Invest-
5 ment Fund available to individuals participating
6 in the Thrift Savings Plan.

7 (b) DEFINITIONS.—For purposes of this section—

8 (1) the term “Precious Metals Investment
9 Fund” has the meaning given such term by section
10 8438(a)(11) of title 5, United States Code (as
11 amended by section 2(a)); and

12 (2) the term “Thrift Savings Plan” refers to
13 the plan described in subchapter III of chapter 84
14 of such title 5.

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