

116TH CONGRESS  
1ST SESSION

# H. R. 2126

To prohibit the Secretary of the Treasury and the Board of Governors of the Federal Reserve System from providing bailouts or other financial assistance to a pension plan of a State or political subdivision thereof, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 8, 2019

Mr. BABIN introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To prohibit the Secretary of the Treasury and the Board of Governors of the Federal Reserve System from providing bailouts or other financial assistance to a pension plan of a State or political subdivision thereof, 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. SHORT TITLE.**

4 This Act may be cited as the “State and Local Pen-  
5 sions Accountability and Security Act”.

1 **SEC. 2. PROHIBITION ON BAILOUTS FOR STATE AND LOCAL**  
2 **PENSION FUNDS.**

3 The Secretary of the Treasury and the Board of Gov-  
4 ernors of the Federal Reserve System may not provide any  
5 loan, grant, or other form of financial assistance—

6 (1) to a pension plan (as defined under section  
7 3 of the Employee Retirement Income Security Act  
8 of 1974 (29 U.S.C. 1002)) established or main-  
9 tained by the government of any State or political  
10 subdivision thereof, or by any agency or instrumen-  
11 tality of such a State or political subdivision; or

12 (2) to the government of any State or political  
13 subdivision thereof, or by any agency or instrumen-  
14 tality of such a State or political subdivision, unless  
15 such government, agency, or instrumentality certifies  
16 that the financial assistance will not be used, di-  
17 rectly or indirectly, to fund such a pension plan.

○