

111TH CONGRESS
1ST SESSION

H. R. 712

To amend title I of the Employee Retirement Income Security Act of 1974 to require in the annual report of each defined benefit pension plan disclosure of plan investments in hedge funds.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 2009

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

A BILL

To amend title I of the Employee Retirement Income Security Act of 1974 to require in the annual report of each defined benefit pension plan disclosure of plan investments in hedge funds.

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 “Pension Security Act
5 of 2009”.

1 **SEC. 2. DISCLOSURE IN ANNUAL REPORT OF INVESTMENTS**
2 **IN HEDGE FUNDS BY DEFINED BENEFIT PEN-**
3 **SION PLANS.**

4 (a) IN GENERAL.—Section 103(b) of the Employee
5 Retirement Income Security Act of 1974 (29 U.S.C.
6 1023(b)) is amended—

7 (1) in paragraph (3)(C), by striking “value;”
8 and inserting “value, including, in the case of a de-
9 fined benefit pension plan, a separate schedule iden-
10 tifying each hedge fund (as defined in paragraph 5)
11 in which amounts held for investment under the plan
12 are invested as of the end of the plan year covered
13 by the annual report and the amount so invested in
14 such hedge fund;”; and

15 (2) by adding at the end the following new
16 paragraph:

17 “(5) For purposes of paragraph (3)(C), the term
18 ‘hedge fund’ means an unregistered investment pool per-
19 mitted under sections 3(c)(1) and 3(c)(7) of the Invest-
20 ment Company Act of 1940 (15 U.S.C. 80a–3(c)(1), (7))
21 and section 4(2) of the Securities Act of 1933 (15 U.S.C.
22 77d(2)) and Rule 506 of Regulation D of the Securities
23 and Exchange Commission (17 CFR 230.506).”.

24 (b) EFFECTIVE DATE; REGULATIONS.—The amend-
25 ments made by subsection (a) shall apply with respect to
26 annual reports for plan years beginning on or after the

1 date of the enactment of this Act. The Secretary of Labor,
2 in consultation with the Securities and Exchange Commis-
3 sion, shall issue initial regulations to carry out the amend-
4 ments made by subsection (a) not later than 1 year after
5 the date of the enactment of this Act.

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