



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

May 7, 2014

**H.R. 4193
Smart Savings Act**

*As ordered reported by House Committee on Oversight and Government Reform
on March 12, 2014*

H.R. 4193 would change the default investment fund in the Thrift Savings Plan (TSP) for government employees. Currently, contributions of employees who are enrolled in the TSP, but have not specified where to invest their funds, are automatically invested in the Government Securities Investment Fund. This bill would shift the default fund to a Lifecycle fund with an age-appropriate asset allocation.

CBO estimates that enacting H.R. 4193 would not affect direct spending. The Joint Committee on Taxation (JCT) estimates that there could be a small revenue effect because enacting the bill might change the number of federal employees who choose to contribute to the TSP, thus modifying their total tax liability. Therefore, pay-as-you-go procedures apply. However, JCT estimates that any revenue effects would be negligible.

H.R. 4193 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Santiago Vallinas. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.