116TH CONGRESS
2D SESSION

H. R. ______

To amend title 5, United States Code, to provide for an investment option under the Thrift Savings Plan that does not include investment in any fossil fuel companies.

IN THE HOUSE OF REPRESENTATIVES

Ms. TLAIB introduced the following bill; which was referred to the Committee on ____________________

A BILL

To amend title 5, United States Code, to provide for an investment option under the Thrift Savings Plan that does not include investment in any fossil fuel companies.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Retirement Investments for a Sustainable Economy Act of 2020” or the “RISE Act of 2020”.

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that—
(1) continued inaction by the Federal Government with respect to addressing climate change poses a significant threat to the growth and stability of the economy and population of the United States;

(2) pension and retirement funds are vulnerable to distinct risks relating to climate change, including—

(A) climate impact risks, including sea level rise, heat waves, desertification, ocean acidification, flooding, drought, extreme weather, and wildfires;

(B) carbon-constrained demand risks, including stranded carbon assets, which financial institutions have estimated as having a value of $100,000,000,000,000; and

(C) climate liability risks, including from evolving interpretations of fiduciary and tortious duties of care; and

(3) assessing the potential impact of climate-related risks on national and international financial systems, including retirement savings accounts and pensions, is an urgent concern.

SEC. 3. CLIMATE CHOICE STOCK INDEX FUND.

Section 8438 of title 5, United States Code, is amended—
(1) in subsection (a)—

(A) by redesignating paragraphs (4) through (10) as paragraphs (7) through (13), respectively;

(B) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (5), respectively;

(C) by inserting before paragraph (2), as so redesignated, the following:

“(1) the term ‘Climate Choice Stock Index Fund’ means the Climate Choice Stock Index Fund established under subsection (b)(1)(G);”;

(D) by inserting after paragraph (2), as so redesignated, the following:

“(3) the term ‘entity’ means any sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other business association, including any wholly owned subsidiary, majority-owned subsidiary, parent-country national, or affiliate of the business association, that exists for the purpose of making profit;”; and

(E) by inserting after paragraph (5), as so redesignated, the following:
“(6) the term ‘fossil fuel entity’ means any entity—

“(A) with proven carbon reserves; or

“(B) that explores for, extracts, processes, refines, or transmits coal, oil, gas, oil shale, or tar sands;”; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (E), by striking “and” at the end;

(ii) in subparagraph (F), by striking the period at the end and inserting “; and”;

(iii) by adding at the end the following:

“(G) a Climate Choice Stock Index Fund as provided in paragraph (6).”; and

(B) by adding at the end the following:

“(6)(A) The Board shall select an index which is a commonly recognized index comprised of common stock.

“(B) The historical performance of the index selected under subparagraph (A) shall be comparable to that of the other investment funds and options available under this subsection.
“(C) The Climate Choice Stock Index Fund shall be invested in a portfolio that is designed—

“(i) to replicate the performance of the index selected under subparagraph (A);

“(ii) such that, to the extent practicable, the percentage of the Climate Choice Stock Index Fund that is invested in each stock is the same as the percentage determined by dividing the aggregate market value of all shares of that stock by the aggregate market value of all shares of all stocks included in the index selected under subparagraph (A); and

“(iii) to ensure that no investment in the portfolio is an investment with respect to a fossil fuel entity.”.