

Union Calendar No. 47

106TH CONGRESS
1ST SESSION

H. R. 208

[Report No. 106-87]

To amend title 5, United States Code, to allow for the contribution of certain rollover distributions to accounts in the Thrift Savings Plan, to eliminate certain waiting-period requirements for participating in the Thrift Savings Plan, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1999

Mrs. MORELLA (for herself, Mr. FROST, Mr. HINCHEY, Mr. GOSS, Mr. SKEEN, Mr. BISHOP, and Mr. SANDLIN) introduced the following bill; which was referred to the Committee on Government Reform

APRIL 13, 1999

Additional sponsors: Mr. LAFALCE, Mrs. MEEK of Florida, Mr. CASTLE, Mr. FILNER, Mr. DAVIS of Virginia, Mr. TOWNS, Mr. MANZULLO, Ms. NORTON, Mr. KUCINICH, Mr. STARK, Mr. WELDON of Florida, Ms. LEE, Mr. UNDERWOOD, Mr. CLEMENT, Mr. KOLBE, Mr. CUMMINGS, Mr. SESSIONS, Mr. ENGEL, Mr. WYNN, Mr. FORBES, Mr. MOORE, Mr. PASTOR, Mr. WOLF, and Mr. CAPUANO

APRIL 13, 1999

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on January 6, 1999]

A BILL

To amend title 5, United States Code, to allow for the

contribution of certain rollover distributions to accounts in the Thrift Savings Plan, to eliminate certain waiting-period requirements for participating in the Thrift Savings Plan, 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. ELIGIBLE ROLLOVER DISTRIBUTIONS.**

4 *(a) IN GENERAL.—Section 8432 of title 5, United*
5 *States Code, is amended by adding at the end the following:*

6 *“(j)(1) For the purpose of this subsection—*

7 *“(A) the term ‘eligible rollover distribution’ has*
8 *the meaning given such term by section 402(c)(4) of*
9 *the Internal Revenue Code of 1986; and*

10 *“(B) the term ‘qualified trust’ has the meaning*
11 *given such term by section 402(c)(8) of the Internal*
12 *Revenue Code of 1986.*

13 *“(2) An employee or Member may contribute to the*
14 *Thrift Savings Fund an eligible rollover distribution from*
15 *a qualified trust. A contribution made under this subsection*
16 *shall be made in the form described in section 401(a)(31)*
17 *of the Internal Revenue Code of 1986. In the case of an*
18 *eligible rollover distribution, the maximum amount trans-*
19 *ferred to the Thrift Savings Fund shall not exceed the*
20 *amount which would otherwise have been included in the*
21 *employee’s or Member’s gross income for Federal income tax*
22 *purposes.*

1 “(B) *An employee or Member described in sub-*
2 *paragraph (B) of paragraph (2) shall be afforded a*
3 *reasonable opportunity to first make an election*
4 *under this subsection (based on the appointment or*
5 *election described in such subparagraph) beginning*
6 *on the date of commencing service pursuant to such*
7 *appointment or election or, if that is not administra-*
8 *tively feasible, beginning on the earliest date there-*
9 *after that such an election becomes administratively*
10 *feasible, as determined by the Executive Director.*

11 “(C) *Notwithstanding the preceding provisions of*
12 *this paragraph, contributions under paragraphs (1)*
13 *and (2) of subsection (c) shall not be payable with re-*
14 *spect to any pay period before the earliest pay period*
15 *for which such contributions would otherwise be al-*
16 *lowable under this subsection if this paragraph had*
17 *not been enacted.*

18 “(D) *Sections 8351(a)(2), 8440a(a)(2),*
19 *8440b(a)(2), 8440c(a)(2), and 8440d(a)(2) shall be*
20 *applied in a manner consistent with the purposes of*
21 *subparagraphs (A) and (B), to the extent those sub-*
22 *paragraphs can be applied with respect thereto.*

23 “(E) *Nothing in this paragraph shall affect*
24 *paragraph (3).”.*

1 **(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1)**
2 *Section 8432(a) of title 5, United States Code, is*
3 *amended—*

4 *(A) in the first sentence by striking “(b)(1)” and*
5 *inserting “(b)”;* and

6 *(B) by amending the second sentence to read as*
7 *follows: “Contributions under this subsection pursu-*
8 *ant to such an election shall, with respect to each pay*
9 *period for which such election remains in effect, be*
10 *made in accordance with a program of regular con-*
11 *tributions provided in regulations prescribed by the*
12 *Executive Director.”.*

13 *(2) Section 8432(b)(1)(B) of title 5, United States*
14 *Code, is amended by inserting “(or any election allowable*
15 *by virtue of paragraph (4))” after “subparagraph (A)”.*

16 *(3) Section 8432(b)(3) of title 5, United States Code,*
17 *is amended by striking “Notwithstanding paragraph*
18 *(2)(A), an” and inserting “An”.*

19 *(4) Section 8439(a)(1) of title 5, United States Code,*
20 *is amended by inserting “who makes contributions or” after*
21 *“for each individual” and by striking “section 8432(c)(1)”*
22 *and inserting “section 8432”.*

23 *(5) Section 8439(c)(2) of title 5, United States Code,*
24 *is amended by adding at the end the following: “Nothing*
25 *in this paragraph shall be considered to limit the dissemi-*

1 *nation of information only to the times required under the*
2 *preceding sentence.”.*

3 (6) *Sections 8440a(a)(2) and 8440d(a)(2) of title 5,*
4 *United States Code, are amended by striking all after “sub-*
5 *ject to” and inserting “this chapter.”.*

6 (c) *EFFECTIVE DATE.—*

7 (1) *IN GENERAL.—The amendments made by*
8 *this section shall take effect on October 1, 2000, or*
9 *such earlier date as the Executive Director (as defined*
10 *by section 8401 of title 5, United States Code) may*
11 *by regulation prescribe, but not before September 1,*
12 *2000.*

13 (2) *SAVINGS PROVISION.—Notwithstanding any*
14 *other provision of this section, until the amendments*
15 *made by this section take effect, title 5, United States*
16 *Code, shall be applied as if this section had not been*
17 *enacted.*

18 **SEC. 3. ADDITIONAL GOVERNMENT CONTRIBUTIONS FOR**
19 **RETIREMENT.**

20 (a) *FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—*
21 *Section 8423(a) of title 5, United States Code, is amended*
22 *by adding at the end the following:*

23 “(5) *Notwithstanding any other provision of this chap-*
24 *ter, effective with respect to contributions for pay periods*
25 *beginning on or after October 1, 2000, the normal-cost per-*

1 *centage used for purposes of any computation under this*
2 *subsection shall be equal to—*

3 *“(A) the percentage that would otherwise apply*
4 *if this paragraph had not been enacted, plus*

5 *“(B) .01 of 1 percentage point.”.*

6 *(b) SUPPLEMENTAL LIABILITY.—For purposes of ap-*
7 *plying section 8423(b) of title 5, United States Code, and*
8 *section 857(b) of the Foreign Service Act of 1980 (22 U.S.C.*
9 *4071f(b)), all amounts shall be determined as if this section*
10 *had never been enacted.*

11 *(c) LIMITATION ON SOURCE OF ADDITIONAL CON-*
12 *TRIBUTIONS.—Notwithstanding section 8423(a)(3) of title*
13 *5, United States Code, or any other provision of law, the*
14 *additional Government contributions required to be made*
15 *by reason of the amendment made by subsection (a) shall*
16 *be made out of any amounts available to the employing*
17 *agency involved, other than any appropriation, fund, or*
18 *other amounts available for the payment of employee sala-*
19 *ries or benefits.*

20 *(d) CONFORMING AMENDMENT.—Section 307 of the*
21 *Federal Employees’ Retirement System Act of 1986 (Public*
22 *Law 99–335; 5 U.S.C. 8401 note) is amended by inserting*
23 *“, including the additional amount required under section*
24 *8423(a)(5)(B) of such title 5,” after “Federal Employees’*
25 *Retirement System”.*

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